Public Accounts
2001-02

Volume 1

Main Financial Statements

Saskatchewan

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To Her Honour
The Honourable Lynda Haverstock
Lieutenant Governor of the Province of Saskatchewan

May It Please Your Honour:

The undersigned has the honour to submit herewith the main financial statements of the Government of the Province of Saskatchewan for the fiscal year ended March 31, 2002.

Respectfully submitted,

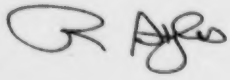
Eric Cline
Minister of Finance

Regina, Saskatchewan
June 2002

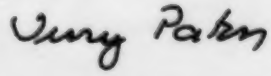
The Honourable Eric Cline
Minister of Finance

We have the honour of presenting herewith the main financial statements of the Government of the Province of Saskatchewan for the fiscal year ended March 31, 2002.

Respectfully submitted,



Ron Styles
Deputy Minister of Finance



Terry Paton
Provincial Comptroller

Regina, Saskatchewan
June 2002

Introduction to the Public Accounts

The 2001-02 Public Accounts of the Government of Saskatchewan are organized into two reports:

Volume 1 contains the General Revenue Fund Financial Statements and the Summary Financial Statements. These are the main financial statements of the Government of Saskatchewan. It also contains information on the Fiscal Stabilization Fund.

The General Revenue Fund Financial Statements account for the financial transactions of the General Revenue Fund and the Province of Saskatchewan Sinking Funds. All public money is paid into the General Revenue Fund except where the Legislative Assembly has directed otherwise. The General Revenue Fund is available for appropriation for the public services of Saskatchewan.

The Summary Financial Statements consolidate the financial transactions of the General Revenue Fund, Crown corporations, agencies, boards and commissions. These consolidated statements provide a full accounting of the financial affairs and resources of all entities for which the Government is responsible.

The Fiscal Stabilization Fund was established April 1, 2000. Its purpose is to stabilize the fiscal position of the Government from year to year and to facilitate the accomplishment of long term objectives.

Volume 1 also contains detailed information on public issue debentures and debentures issued to the Minister of Finance of Canada.

Volume 2 contains the following:

- details on the revenue and expenditure of the General Revenue Fund; and
- other information including financial information on the assets, liabilities and residual balances of superannuation and trust funds administered by the Government, and a listing of remissions of taxes and fees.

Internet Address

The Public Accounts are available on the Internet at: http://www.gov.sk.ca/finance

Sources of Additional Information

Financial Statements Compendium
This is a two volume report comprised of the financial statements of various government boards, agencies, commissions, superannuation funds, special purpose funds and institutions, as well as Crown corporations which are accountable to the Treasury Board.

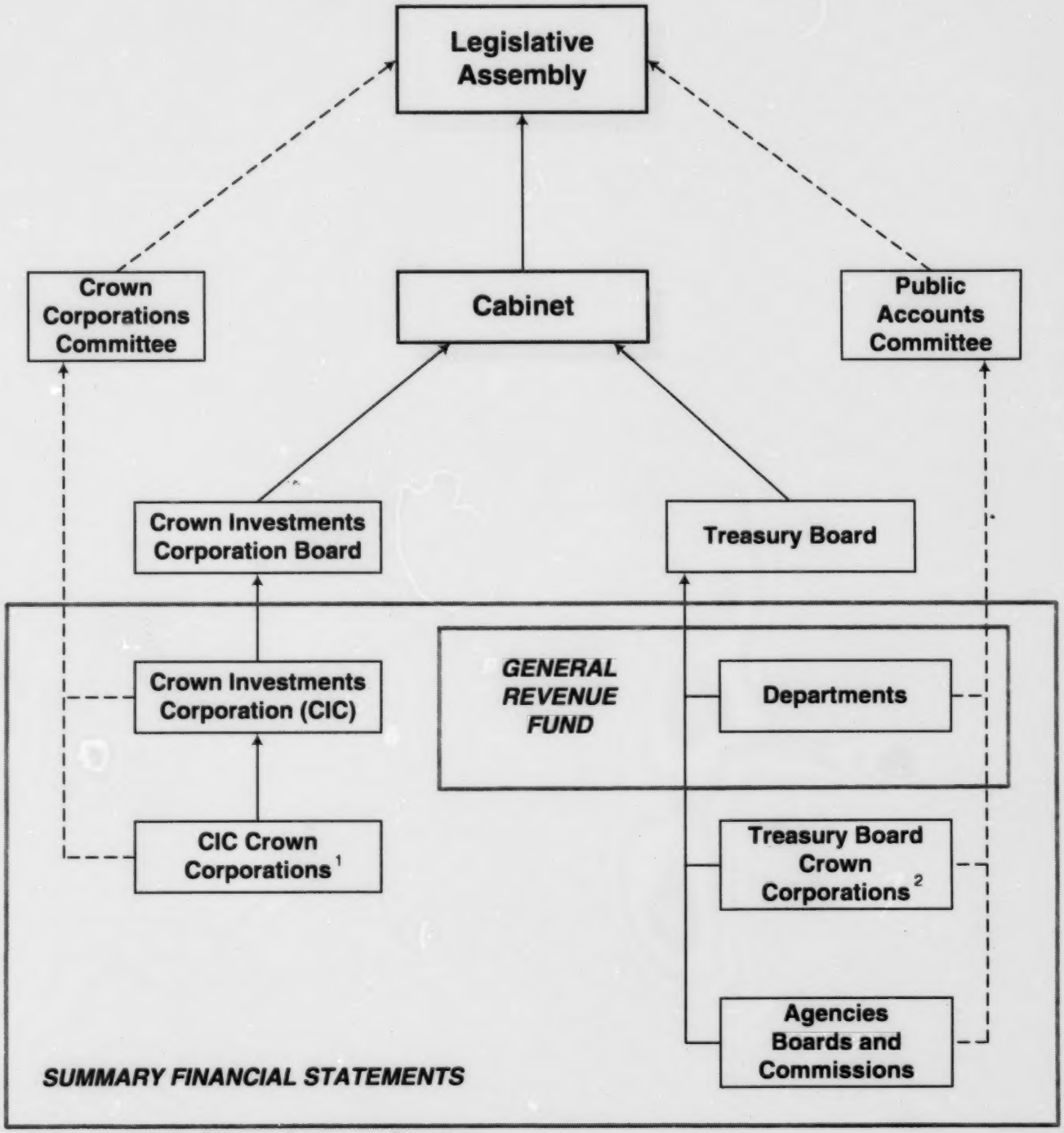
Annual Reports of Saskatchewan Crown Corporations
This is a compendium of the financial reports of Crown corporations that are accountable to the Crown Investments Corporation.

Budget Address
The Government of Saskatchewan presents a budget each year, usually early in the spring. At this time, a document containing the Budget Address and budget papers is tabled.

Saskatchewan Estimates
The Government's spending estimates for the year commencing April 1 are presented to the members of the Legislative Assembly following presentation of the Budget Address by the Minister of Finance. The Estimates outline the detailed estimates of revenue, expenditure, loans, advances, and investments to the Legislative Assembly for approval in the form of *The Appropriation Act*.

Province of Saskatchewan Mid-Year Financial Report
This report, released in November, provides an update on the General Revenue Fund's revenue, expenditure, surplus, and debt reflecting economic changes and other developments to the mid-point of the fiscal year. Updates on the Province's economy are also provided.

Financial Reporting Structure



1 Examples of CIC Crown corporations are: SaskEnergy, SaskPower, SaskTel, SGI, and STC.

2 Examples of Treasury Board Crown corporations are: Agricultural Credit Corporation of Saskatchewan, Saskatchewan Liquor and Gaming Authority, Saskatchewan Crop Insurance Corporation and Saskatchewan Property Management Corporation.

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General Revenue Fund
Financial Statements

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Responsibility for General Revenue Fund Financial Statements

The Government is responsible for the General Revenue Fund Financial Statements. The Government maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to get reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are maintained.

The Provincial Comptroller prepares these statements following the Government's stated accounting policies and using the Government's best estimates and judgement when appropriate.

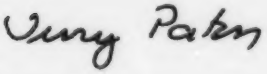
The Provincial Auditor expresses an independent opinion on these statements. His report, stating the scope of his audit and opinion, appears on the following page.

Treasury Board approves the General Revenue Fund Financial Statements. The Minister of Finance tables the statements in the Legislative Assembly as part of the Public Accounts. The Legislative Assembly refers the Public Accounts to the Standing Committee on Public Accounts for review.

On behalf of the Government of the Province of Saskatchewan.

Eric Cline
Minister of Finance

Ron Styles
Deputy Minister of Finance



Terry Paton
Provincial Comptroller

Regina, Saskatchewan
June 2002

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Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

These financial statements report transactions and events of the General Revenue Fund only. Significant financial activities of the Government occur outside this Fund. Therefore, readers should not use the General Revenue Fund's financial statements to understand and assess the Government's management of public financial affairs and resources as a whole.

Volume 1 of the Public Accounts includes a more complete set of financial statements. Those statements are called the *Summary Financial Statements* of the Government of Saskatchewan. Their purpose is to report the full nature and extent of the financial affairs and resources for which the Government is responsible. Please refer to those summary statements to understand and assess the Government's management of public financial affairs and resources as a whole.

I have audited the statement of financial assets, liabilities, and accumulated deficit of the General Revenue Fund as at March 31, 2002 and the statements of revenue, expenditure, and accumulated deficit and cash flow for the year then ended. These financial statements are the responsibility of Treasury Board. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Reservations

1. The Government records transactions between the General Revenue Fund and the Fiscal Stabilization Fund as revenues or expenditures of the General Revenue Fund. The substance of the transactions between the General Revenue Fund and the Fiscal Stabilization Fund are that amounts owed by the General Revenue Fund to the Fiscal Stabilization Fund must be repaid to the General Revenue Fund by the Fiscal Stabilization Fund. Canadian generally accepted accounting principles for the public sector do not allow the General Revenue Fund to record changes in the amounts due to the Fiscal Stabilization Fund as revenues or expenditures of the General Revenue Fund.

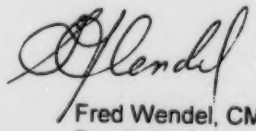
   In 2001, the financial statements show a liability of $775 million owed to the Fiscal Stabilization Fund and an expenditure of $775 million. It is not appropriate to record the $775 million as an expenditure because the Fiscal Stabilization Fund must return the $775 million to the General Revenue Fund. In my opinion, instead of recording an expenditure of $775 million, the financial statements should record an asset of $775 million owed to the General Revenue Fund from the Fiscal Stabilization Fund. Had the transaction been properly recorded, financial assets as at March 31, 2001, would increase by $775 million and the accumulated deficit would decrease by $775 million. Also, expenditure would decrease by $775 million and the surplus for the year would increase by $775 million.

   In 2002, the financial statements show a liability of $495 million owed to the Fiscal Stabilization Fund and revenue of $280 million from the Fiscal Stabilization Fund. It is not appropriate to record the $280 million as revenue because it is not revenue earned by the General Revenue Fund but is the reduction in the amount owed to the Fiscal Stabilization Fund by the General Revenue Fund. In my opinion, instead of recording revenue of $280 million, the financial statements should show an asset of $495 million owed to the General Revenue Fund from the Fiscal Stabilization Fund. Had the transaction been properly recorded, financial assets as at March 31, 2002, would increase by $495 million and the accumulated deficit would decrease by $495 million. Also, revenue from the Fiscal Stabilization Fund would decrease by $280 million and the surplus for the year would decrease by $280 million.

2. The General Revenue Fund is responsible for the liabilities of several pension funds. Note 7 states that the pension liabilities are not recorded in these financial statements. In my opinion, the pension liabilities should be recorded in the financial statements. Had pension liabilities been recorded, liabilities and accumulated deficit as at March 31, 2002, would increase by $3,952 million (2001 - $3,913 million) and expenditure would increase by $39 million (2001 - $112 million) and surplus for the year would decrease by $39 million (2001 - $112 million).

Opinion

In my opinion, except for the effects of recording changes in the amounts due to the Fiscal Stabilization Fund as revenues or expenditures of the General Revenue Fund and the failure to record pension liabilities as described in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the General Revenue Fund as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for the public sector.



Fred Wendel, CMA, CA
Provincial Auditor

Regina, Saskatchewan
June 4, 2002

General Revenue Fund
Statement of Financial Assets, Liabilities, and Accumulated Deficit
As at March 31, 2002

(thousands of dollars)

Schedule		2002	2001
	Financial Assets		
	Cash and temporary investments (note 3)	$ 130,194	$ 361,328
	Prepaid expenditures	3,131	2,137
1	Accounts receivable	479,403	432,412
	Agricultural land held for resale (note 4)	111,370	112,653
	Deferred charges	47,290	57,161
	Deferred foreign exchange loss	227,577	234,326
2	Loans to Crown corporations	3,608,190	3,478,962
3	Other loans	101,322	37,675
	Equity investment in Crown Investments Corporation of Saskatchewan	1,242,452	1,362,452
	Total Financial Assets	5,950,929	6,079,106
	Liabilities		
4	Accounts payable and accrued liabilities	651,106	740,897
5	Deposits held	1,064,992	1,391,145
	Unearned revenue	74,503	73,482
6,7&8	Debt	11,170,089	10,884,441
	Total Liabilities	12,960,690	13,089,965
	Accumulated Deficit	$ (7,009,761)	$ (7,010,859)

(See accompanying notes)

Tangible capital assets (note 5)
Pension liabilities, contingencies, and commitments (notes 7, 11, 12)
9 Guaranteed debt

General Revenue Fund
Statement of Revenue, Expenditure, and Accumulated Deficit
For the Year Ended March 31, 2002

(thousands of dollars)

Schedule		Budget 2002	Actual 2002	Actual 2001
Revenue				
10	Taxation	$ 3,178,500	$ 3,022,179	$ 3,202,234
10	Non-renewable resources	877,300	903,044	1,292,714
10	Transfers from Government entities	557,700	561,337	1,055,387
10	Other own-source revenue	320,400	335,428	331,104
10	Transfers from the federal government	1,107,800	1,237,086	872,164
Total Revenue		6,041,700	6,059,074	6,753,603
Operating Expenditure				
Executive Branch of Government				
	Agriculture and Food	337,103	400,420	221,481
	Centenary Fund	30,000	29,919	29,954
	Culture, Youth and Recreation	29,709	23,346	6,318
	Economic and Co-operative Development	67,896	70,144	72,529
	Education	614,923	621,082	581,635
	Energy and Mines	30,301	29,924	18,880
	Environment and Resource Management	130,022	137,428	125,356
	- Forest Fire Contingency Fund	40,000	40,000	3,848
	Executive Council	7,707	7,462	7,227
	Finance	212,318	211,501	197,911
	Health	2,207,228	2,199,753	2,025,833
	- Transition Fund	-	-	49,817
	Highways and Transportation	311,692	309,306	273,307
	Intergovernmental and Aboriginal Affairs	46,422	51,928	34,653
	Justice	235,376	237,086	232,207
	Labour	13,408	13,117	12,637
	Municipal Affairs and Housing	170,778	170,550	181,060
	Post-Secondary Education and Skills Training	511,486	508,942	528,407
	Public Service Commission	8,965	8,945	8,165
	Rural Revitalization Office	800	597	-
	Saskatchewan Municipal Board	1,101	956	901
	Saskatchewan Property Management Corporation	21,719	24,502	22,017
	Saskatchewan Research Council	8,390	8,306	9,172
	Saskatchewan Water Corporation	8,810	8,722	9,444
	Social Services	588,492	579,956	578,574
	Women's Secretariat	1,183	1,178	1,150
Legislative Branch of Government				
	Chief Electoral Officer	710	841	1,187
	Conflict of Interest Commissioner	122	91	90
	Information and Privacy Commissioner	105	84	85
	Legislative Assembly	17,571	17,239	15,737
	Ombudsman and Children's Advocate	2,651	2,704	2,540
	Provincial Auditor	5,136	5,136	4,698
Total Operating Expenditure (note 10)		5,662,124	5,721,165	5,256,820
Operating Surplus		379,576	337,909	1,496,783
Finance - Servicing the Debt (note 9)		(640,500)	(616,811)	(664,092)
Transfer from (to) the Fiscal Stabilization Fund		263,700	280,000	(775,000)
Surplus for the Year		2,776	1,098	57,691
Accumulated deficit, beginning of year		(7,010,859)	(7,010,859)	(7,068,550)
Accumulated Deficit, End of Year (note 8)		$ (7,008,083)	$ (7,009,761)	$ (7,010,859)

(See accompanying notes)

General Revenue Fund
Statement of Cash Flow
For the Year Ended March 31, 2002

(thousands of dollars)

Schedule		2002	2001
Operating Activities			
	Surplus for the year	$ 1,098	$ 57,691
	Add (deduct) non-cash items		
	Amortization of foreign exchange gains and losses	17,196	14,095
11	Loss on loans and investments	(296)	(779)
12	Net change in non-cash operating activities	(126,884)	(101,570)
	Earnings retained in sinking funds	(35,216)	(36,256)
Cash (Used for) Operating Activities		(144,102)	(66,819)
Investing Activities			
13	Loan Advances	(420,525)	(495,314)
13	Loan Repayments	296,017	672,002
13	Sinking funds' contributions received from Crown corporations	23,364	24,583
13	Contributions made to sinking funds	(82,041)	(77,252)
13	Other	121,223	1,286
Cash (Used for) Provided by Investing Activities		(61,962)	125,305
Financing Activities			
	Proceeds from debt	1,329,476	1,940,265
	Repayment of debt	(1,028,393)	(2,238,399)
	(Decrease) Increase in deposits held	(326,153)	148,754
Cash (Used for) Financing Activities		(25,070)	(149,380)
(Decrease) in Cash and Temporary Investments		(231,134)	(90,894)
Cash and temporary investments, beginning of year		361,328	452,222
Cash and Temporary Investments, End of Year		$ 130,194	$ 361,328

(See accompanying notes)

General Revenue Fund
Notes to the Financial Statements
For the Year Ended March 31, 2002

1. Significant Accounting Policies

These financial statements are prepared in accordance with the generally accepted accounting principles for senior governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, with the following exceptions:

- transfers to and from the Fiscal Stabilization Fund are included in the determination of surplus for the year; and
- pension liabilities are not recorded in the financial statements. The General Revenue Fund accounts for pension obligations on a cash basis.

The significant accounting policies are summarized below.

a) Reporting entity

The General Revenue Fund is the general fund which receives all revenues unless otherwise specified by law. Spending from the General Revenue Fund is appropriated by the Legislative Assembly.

Other government entities such as special purpose funds, Crown corporations, and other agencies, report separately in other financial statements. Only financial transactions to or from these other entities are included in the General Revenue Fund. The net expenditures/recoveries for revolving funds' operations are charged to expenditure.

The Government's summary financial statements which include the financial activities of the General Revenue Fund and other government entities are provided separately.

b) Basis of accounting

The accrual basis of accounting is used and specifically expressed as follows:

Revenue

Except for corporate and personal income taxes which are recorded when received from the federal government, revenues are recorded on the accrual basis.

Government transfers are recognized as revenue in the period during which the transfer is authorized and any eligibility criteria are met.

Expenditure

Expenditures are recorded on the accrual basis except for pension costs which are recorded on the cash basis, and include the cost of tangible capital assets and inventories received during the year.

Government transfers are recognized as expenditures in the period during which the transfer is authorized and any eligibility criteria are met.

Assets

Financial assets are those assets on hand at the end of an accounting period which could provide resources to discharge existing liabilities or finance future operations.

Temporary investments are recorded at the lower of cost or market.

Agricultural land held for resale is valued at the lower of cost or net realizable value, on an aggregate basis.

Deferred charges include issue costs and net discounts or premiums incurred on the issue of long-term debt. They are recorded at cost and amortized on a straight line basis over the remaining life of the debt issue.

Deferred foreign exchange loss includes unrealized foreign exchange gains and losses resulting from conversion of debt and sinking funds' investments, held for general government purposes in a foreign currency, to the Canadian dollar equivalent at March 31. Unrealized foreign exchange gains and losses are amortized on a straight line basis over the remaining life of the debt issue. Realized foreign exchange gains or losses, resulting from transactions for general government purposes, are included in servicing the debt.

Loans to Crown corporations and ***Other loans*** generally have fixed repayment terms and are interest bearing. Short-term loans to Crown corporations are recorded at par; all other loans are recorded at cost. Interest received on these loans is netted against interest paid on money borrowed for these loans.

General Revenue Fund
Notes to the Financial Statements

Equity investment in Crown Investments Corporation of Saskatchewan is an advance to the corporation to form its equity capitalization and is recorded at cost.

Where there has been a loss in value that is other than a temporary decline, loans and equity investments are written down to recognize the loss.

Tangible capital assets and ***inventories***, except for agricultural land held for resale, are recorded as an expenditure in the period acquired.

Liabilities

Reported liabilities include obligations to outside organizations and individuals as a result of transactions and events occurring prior to year end. They are the result of financial obligations to repay borrowings or to pay for goods and services acquired prior to year end, and of revenue, where goods or services will be delivered in the future.

Unearned revenue consists mainly of revenue for Crown mineral leases and motor vehicle fees that will be earned in a subsequent fiscal year.

Debt is issued for general government purposes and for Crown corporations. All debt is recorded at par.

Premiums, discounts, and issue costs incurred on debt issued for general government purposes are recorded as deferred charges and amortized on a straight line basis over the remaining life of the debt issue.

Certain debenture issues require contributions to a sinking fund. These obligations are recorded at principal less sinking fund balances where applicable. The General Revenue Fund is reimbursed by Crown corporations for all sinking fund contributions made on debt incurred on their behalf. Premiums and discounts on long-term investments within the sinking fund are amortized by the type of security on a constant yield basis.

Debt issues and sinking funds' investments held in foreign currencies are converted to the Canadian dollar equivalent at the exchange rate in effect at March 31.

Interest, discounts, premiums and commissions on money borrowed for Crown corporations and others are netted against reimbursements by these entities.

Guaranteed debt includes guarantees by the Minister of Finance, made through specific agreements or legislation, to repay promissory notes, bank loans, lines of credit, mortgages and other securities. Loss provisions on guaranteed debt are recorded when it is likely that a loss will occur. The amount of the loss provision represents the best estimate of future payments less recoveries. The loss provision is recorded as a liability and an expenditure in the year determined and is adjusted as necessary to ensure it equals the expected payout of the guarantee.

2. Measurement Uncertainty

Uncertainty in the determination of the amount at which an item is recognized in financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount.

Measurement uncertainty exists in these financial statements in the accrual of non-renewable resource royalties, and the federal government's Equalization and the Canada Health and Social Transfer. The uncertainty arises from factors such as price and production sensitivities in the royalty structures, and the effect on transfers from the federal government of changes in economic and demographic conditions in the Province and the country. Management considers that it is reasonably possible that changes in future conditions in the near term could require a material change in the amounts recognized. Near term is defined as a period of time not to exceed one year from the date of the financial statements.

3. Cash and Temporary Investments

The market value of cash and temporary investments is $130.2 million (2001 - $361.6 million). Temporary investments are generally for less than 30 days, and have an average effective interest rate of 2.02 per cent.

General Revenue Fund
Notes to the Financial Statements

4. Agricultural Land Held For Resale

The estimated net realizable value of the agricultural land held for resale at March 31, 2002 is $196.9 million (2001 - $202.2 million).

5. Tangible Capital Assets

Tangible capital assets are recorded as an expenditure in the year acquired and are not included in the Statement of Financial Assets, Liabilities, and Accumulated Deficit. These assets are a key component in the delivery of government programs and provide on-going value to the public.

Tangible capital assets are valued at cost. All costs directly attributable to the acquisition, construction, development or betterment of the tangible capital assets are included.

Amortization is calculated using the straight line method based on the estimated useful life of each asset.

During the current year, tangible capital assets costing $153.8 million (2001 - $117.3 million) were acquired. The net book value of $1,333.0 million (2001 - $1,271.1 million) represents the cost of tangible capital assets less an estimate of the portion of the assets used in the delivery of services.

The following table includes assets held for use and does not include assets acquired by right or heritage assets and certain assets available for public use.

The Saskatchewan Property Management Corporation (SPMC) also acquires tangible capital assets for use in day to day operations. SPMC manages most of the buildings and land used in the provision of services to the public. These assets are reported separately in the financial statements of SPMC.

(thousands of dollars)

	2002							2001
	Highways & Bridges*	Machinery & Equipment	Computer Hardware	Computer Software	Office Furniture & Equipment	Other	Total	Total (Restated)
Estimated useful life	*15 years - Indefinite*	*10 years*	*3 years*	*3 years*	*5-10 years*	*3 years - Indefinite*		
Opening cost	$ 2,367,204	$ 15,902	$ 27,009	$ 4,588	$ 10,166	$ 14,925	$ 2,439,794	$ 2,361,945
Additions	132,315	1,682	8,109	6,521	2,098	3,053	153,778	117,340
Disposals	(28,280)	(1,659)	(7,853)	(679)	(99)	–	(38,570)	(39,491)
Closing cost of tangible capital assets	2,471,239	15,925	27,265	10,430	12,165	17,978	2,555,002	2,439,794
Opening accumulated amortization	1,136,158	7,532	15,137	2,550	3,136	4,155	1,168,668	1,120,052
Annual amortization	72,228	1,716	10,404	3,492	1,441	2,235	91,516	86,689
Write-downs	–	–	–	–	–	–	–	–
Disposals	(28,280)	(1,263)	(7,853)	(679)	(98)	–	(38,173)	(38,073)
Closing accumulated amortization	1,180,106	7,985	17,688	5,363	4,479	6,390	1,222,011	1,168,668
Net Book Value of Tangible Capital Assets	$ 1,291,133	$ 7,940	$ 9,577	$ 5,067	$ 7,686	$ 11,588	$ 1,332,991	$ 1,271,126

* During the year, the value of highways and bridges was established. Discounted replacement cost was used to estimate the cost of highways acquired prior to 1994-95 and bridges acquired prior to 1998-99.

6. Risk Management of Public Debt

Funds are borrowed in both domestic and foreign capital markets by issuing Province of Saskatchewan securities. This borrowing activity finances general government operations and the activities of Crown corporations. These transactions result in exposure to four types of risk - interest rate risk, foreign exchange rate risk, credit risk and liquidity risk.

To manage these risks, a preference for fixed rate Canadian dollar denominated debt is maintained. Where market conditions dictate that other forms of debt are more attractive, opportunities are identified to use derivative financial instruments to reduce these risks. A derivative financial instrument is a contract whose value is based on the value of another asset or index.

General Revenue Fund
Notes to the Financial Statements

Interest rate risk is the risk that debt servicing costs will increase due to changes in interest rates. This risk is managed by issuing debt securities at predominantly fixed rates of interest rather than at floating rates of interest. Opportunities are sought to effectively convert floating rate debt into fixed rate debt through the use of interest rate swaps. At March 31, 2002, 85.6 % (2001 - 81.6%) of the principal value of debt issues effectively carried a fixed rate of interest.

Foreign exchange rate risk is the risk that debt servicing costs will increase due to a decline in the value of the Canadian dollar relative to other currencies. This risk is managed by maintaining a preference for issuing debt that is denominated in Canadian dollars. Where debt has been issued in foreign currencies, opportunities are sought to effectively convert it into Canadian dollar debt through the use of a cross currency swap. At March 31, 2002, 79.6% (2001 - 79.3%) of the principal value of debt issues was effectively denominated in Canadian dollars.

Credit risk is the risk that a loss may occur from the failure of another party to meet its obligations under a derivative financial instrument contract. This risk is managed by dealing only with counterparties with good credit ratings and by establishing limits on individual counterparty exposures and monitoring those exposures on a regular basis. At March 31, 2002, 100% (2001 - 100%) of counterparties held a credit rating of A or higher, as defined by Standard and Poor's.

Liquidity risk is a risk that financial commitments will not be met over the short-term. This risk is managed by distributing debt maturities over many years, maintaining sinking funds on long-term debt issues and maintaining adequate cash reserves and short-term borrowing programs as contingent sources of liquidity.

Schedule 8 provides more detailed information regarding the use of derivative instruments.

7. Pension Liabilities

The Government sponsors several defined benefit and defined contribution pension plans.

Pension fund assets of government sponsored defined benefit and defined contribution pension plans are invested in fixed income securities, equities, real estate and short-term monetary items. The investment in Government of Saskatchewan securities is insignificant for all plans.

Defined benefit pension plans

Defined benefit pension plans provide benefits based on length of service and pensionable earnings. A typical defined benefit pension plan provides pensions equal to 2 per cent of a member's average five years highest salary, multiplied by the years of service to a maximum of 35 years. Members contribute a percentage of salary, which may vary based on age, to their pension plan. Pensions and contribution rates are integrated with the Canada Pension Plan.

The two main plans are the Teachers' Superannuation Plan (TSP) and the Public Service Superannuation Plan (PSSP). Other plans include Members of the Legislative Assembly Superannuation Plan (MLA), Judges of the Provincial Court Superannuation Plan (Judges), Saskatchewan Transportation Company Employees Superannuation Plan, Anti-TB League Employees Superannuation Plan and the Saskatchewan Pension Annuity Fund, an annuity underwriting operation.

Actuarial valuations are performed at least triennially. These valuations are extrapolated by an actuary when a valuation is not done in the current fiscal year. Valuations are based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. These assumptions reflect estimates of expected long-term rates and short-term forecasts. Estimates vary based on the individual plan. The accrued benefit obligation is determined using the projected benefit method prorated on services. Pension fund assets are valued at market related values based on actual market values averaged over a four year period. In the periods between valuations, the actuary estimates the market related value of pension fund assets using expected long-term rates of return for the individual plans.

The TSP provides inflation protection equal to 80 per cent of the annual increase in the Consumer Price Index. Other plans provide inflation indexing at the discretion of the Lieutenant Governor in Council.

The Government is required to match member current service contributions for all plans except Judges and the PSSP. Separate pension funds are maintained for all plans except the PSSP. PSSP member contributions are deposited into the General Revenue Fund. All pension obligations arising under the PSSP are paid from the General Revenue Fund.

General Revenue Fund
Notes to the Financial Statements

Information on the defined benefit pension plans follows:

	2002				2001
	TSP	PSSP	Others	Total	Total
Plan status	closed	closed	closed[1]	n/a	n/a
Member contribution rate, percentage of salary	7.85	7 - 9[2]	5 - 9[2]	n/a	n/a
Number of active members	5,269	2,069	86	7,424	8,461
Average age of active members, years	50.6	52.1	55.0	51.1	49.9
Former members entitled to deferred pension benefits	6,675	124	10	6,809	7,162
Number of superannuates and surviving spouses	9,533	5,701	2,015	17,249	16,629
Member contributions (thousands of dollars)	$ 22,000	$ 6,278	$ 359	$ 28,637	$ 29,627
Government contributions (thousands of dollars)	56,000	–	4,807	60,807	54,803
Benefits paid (thousands of dollars)	224,326	92,586	6,569	323,481	306,930

[1] Judges is open to new membership, all other plans are closed.
[2] Contribution rate varies based on age upon joining the plan.

The assumptions used to determine the actuarial value of the accrued benefit obligation and pension fund assets for TSP and PSSP are as follows:

	TSP	PSSP
Rate of compensation increase	3.5%	3%
Expected long-term rate of return on plan assets	7.5%	N/A
Discount rate	7.5%	6.25%
Inflation rate	3%	3%

Based on the latest actuarial valuation, extrapolated to March 31, 2002, the present value of accrued pension benefits and the market related value of pension fund assets are shown in the table below:

(thousands of dollars)

		2002					2001
Plan Name	Actuarial Valuation Date	Accrued Benefit Obligation	Pension Fund Assets	Net Obligation	Unamortized Estimation Adjustments[1]	Pension Liabilities	Pension Liabilities
TSP[2]	Jun. 30/01	$3,682,000	$1,802,000	$1,880,000	$658,408	$2,538,408	$ 2,561,028
PSSP	Sept. 30/99	1,524,110	–	1,524,110	(183,174)	1,340,936	1,284,808
Others	Various	218,224	136,163	82,061	(8,922)	73,139	66,811
Total		$5,424,334	$1,938,163	$3,486,171	$ 466,312	$3,952,483	$ 3,912,647

[1] Amortized to income over 1 to 13 years the estimated average remaining service life of active plan members at the time the estimation adjustment arises. The net estimation adjustment gains during the year totalled $245.8 million.
[2] The TSP accrued benefit obligation includes a liability of $78 million (2001 - $67.0 million) relating to the TSP disability provision.

At March 31, 2002 the market value of plan investments was $1.9 billion (2001 - $2.0 billion). Of this amount, 43.7 per cent (2001 - 42.4 per cent), was invested in fixed income securities and 50.7 per cent (2001 - 52.7 per cent) in equity investments.

The TSP's actual rate of return on plan assets was 4.9 per cent (2001 - 4.5 per cent).

Defined contribution pension plans

Defined contribution plans provide pensions based on accumulated contributions and investment earnings. Employees contribute a percentage of salary.

The Government sponsors the Public Employees Pension Plan (PEPP), a multi-employer defined contribution pension plan. Employers are required to match employee current service contributions to this plan. The General Revenue Fund has fully funded its share. The General Revenue Fund also contributes to the Saskatchewan Teachers' Retirement Plan (STRP), sponsored by the Saskatchewan Teachers' Federation.

General Revenue Fund
Notes to the Financial Statements

Information on the defined contribution pension plans to which the General Revenue Fund contributes follows:

	2002			2001
	PEPP	STRP	Total	Total
Plan status	open	n/a	n/a	n/a
Member contribution rate, percentage of salary	5 - 5.75[1]	n/a	n/a	n/a
Employer contribution rate, percentage of salary	5 - 5.75[1]	n/a	n/a	n/a
Number of active members, all employers	29,207	n/a	29,207	27,888
General Revenue Fund participation:				
Number of active members	14,560	n/a	14,560	14,303
Number of inactive members	6,732	n/a	6,732	6,054
Member contributions (thousands of dollars)	$ 25,501	n/a	$ 25,501	$ 24,065
Government contributions (thousands of dollars)	25,637	$ 25,644	51,281	47,607

[1] Contribution rate varies based on employee group.

Pension expenditure

Pensions are accounted for on a cash basis. The pension liabilities are not recorded in the financial statements.

	(thousands of dollars)	
	2002	2001
Defined benefit plans	$ 147,115	$ 140,535
Defined contribution pension plans	51,281	47,607
Total pension expenditure	$ 198,396	$ 188,142

8. Reserves

The accumulated deficit of $7,009.8 million consists of an unallocated deficit component of $7,021.7 million and the Environmental Protection Reserve of $11.9 million. The Environmental Protection Reserve was created to provide contingency funding to mitigate unforeseen environmental problems related to uranium milling. The reserve is maintained at its March 31, 1992 balance.

9. Debt Servicing Costs

	(thousands of dollars)	
	2002	2001
Total interest costs	$ 911,470	$ 1,020,168
Less interest reimbursed from Crown corporations and others	(319,507)	(378,116)
Other costs	24,848	22,040
Total Debt Servicing Costs	$ 616,811	$ 664,092

10. Operating Expenditure by Function and by Object

Operating expenditure by function is reported as follows:

	(thousands of dollars)	
	2002	2001
Agriculture	$ 401,154	$ 219,235
Community development	167,418	147,507
Economic development	109,899	115,000
Education	1,089,924	1,069,811
Environment and natural resources	177,213	132,766
Health	2,199,753	2,075,650
Protection of persons and property	244,762	240,299
Social services and assistance	686,970	683,648
Transportation	336,628	299,199
Other	307,444	273,705
Total Operating Expenditure	$ 5,721,165	$ 5,256,820

General Revenue Fund
Notes to the Financial Statements

Operating expenditure by object is reported as follows:

	(thousands of dollars) 2002	2001
Personal services	$ 514,460	$ 478,425
Travel	37,291	35,172
Transfers:		
Government entities	2,080,135	1,849,311
Other	2,383,798	2,236,593
Supplier payments	510,067	471,030
Other	195,414	186,289
Total Operating Expenditure	$ 5,721,165	$ 5,256,820

11. Contingencies

a) Guaranteed debt

At March 31, 2002, $260.8 million (2001 - $312.0 million) in loans were guaranteed by the Minister of Finance. Schedule 9 provides a listing of guaranteed debt.

b) Lawsuits

Up to $42.5 million may be paid, depending on the outcome of lawsuits in progress.

c) Indian and Northern Affairs Canada

The Government pays for certain social services provided to status Indians and submits claims to the federal government for the cost of these services. The Government believes these costs are the responsibility of the federal government and believes they are fully reimbursable. However, the federal government denies responsibility for a portion of these costs.

The Government is unable to determine whether or not the outstanding amounts will be reimbursed. The Government will account for any recovery resulting from the resolution of this contingency at the time of settlement. No provision for such a recovery has been made in these financial statements.

12. Commitments

Major financial commitments include:

- treaty land entitlement agreement commitments valued at approximately $67.1 million over nine years; rural municipality and school division tax loss compensation of approximately $14.0 million as land achieves reserve status over the course of the agreements;
- research and development projects for new agriculture technology and opportunities in the agri-food industry, $13.1 million over five years;
- Weyerhaeuser Canada Ltd. agreement for road maintenance and construction, term indefinite, five year estimate of commitment, $23.5 million;
- Mistik Management agreement for road reconstruction, $1.6 million over two years;
- capital grant projects, over the next three years, $90.3 million;
- contracts for highway improvement, $36.8 million;
- computer service agreements, $32.5 million over five years;
- projects to expand innovation and enhance the competitive ability of the Saskatchewan economy, $10.0 million, over four years; and
- an agreement with the Saskatchewan Medical Association for $7.8 million for recruitment, retention and continuing medical education initiatives for physicians.

Included are commitments for agriculture $13.1 million, education $51.1 million, health $51.0 million, transportation $61.9 million, community development $81.1 million, economic development $10.0 million, social services and assistance $6.5 million and other $22.0 million.

General Revenue Fund
Notes to the Financial Statements

13. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, agencies, boards, and commissions related to the General Revenue Fund by virtue of common control by the Government of Saskatchewan.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. These transactions include:

- payments to related parties of approximately $102.8 million (2001 - $97.6 million) to Saskatchewan Property Management Corporation and $17.3 million (2001 - $18.6 million) to Saskatchewan Telecommunications Holding Corporation;
- taxation and non-renewable resource revenue received from related parties during 2001-02 of approximately $57.5 million (2001 - $56.0 million). In addition, Saskatchewan Provincial Sales Tax and Fuel Tax are received from related parties on all taxable purchases.

Other transactions with related parties and amounts due to or from them are described separately in these financial statements.

14. Trust Funds

Trust funds are property held and administered on behalf of beneficiaries. Trust assets are not owned by the Government and the Government has no equity in the funds. Therefore, trust funds are not included in the reporting entity.

Fund balances held and administered by the General Revenue Fund at March 31, 2002, were as follows:

	(thousands of dollars)	
	2002	2001
Superannuation funds and pension plans[1]	$ 5,901,771	$ 5,821,892
Public Trustee's Trust Account	139,542	135,357
Other trusts	37,346	35,957
Total	$ 6,078,659	$ 5,993,206

[1] The balance reflects the latest financial statements of the funds and plans closest to March 31, 2002.

15. Comparative Figures

Certain of the 2001 figures have been reclassified to conform with the current year presentation. With regard to expenditures, the figures are reported on the same basis as the Estimates for the prior year.

16. Debt Reduction Account

This account was established pursuant to *The Balanced Budget Act*. The Debt Reduction Account is an accounting of the accumulated surpluses of the General Revenue Fund commencing April 1, 1995.

	(thousands of dollars)	
	Budget	Actual
Debt reduction account, beginning of year	$ 629,642	$ 629,642
Reduction in accumulated deficit for the year	2,776	1,098
Debt Reduction Account, End of Year	$ 632,418	$ 630,740

General Revenue Fund
Schedules to the Financial Statements
For the Year Ended March 31, 2002

Schedule 1 - Accounts Receivable

(thousands of dollars)

	2002	2001
Taxation	$ 159,527	$ 146,589
Non-renewable resources	123,961	119,852
Transfers from Government entities	94,171	74,822
Other own-source revenue	64,255	60,340
Transfers from the federal government	44,827	35,998
Other accounts receivable	54,969	50,818
	541,710	488,419
Less: Provisions for losses	62,307	56,007
Total Accounts Receivable	$ 479,403	$ 432,412

Accounts Receivable include $96.0 million due from related parties (2001 - $76.6 million).

Schedule 2 - Loans to Crown Corporations

(thousands of dollars)

	2002	2001
Short-term Loans		
Agricultural Credit Corporation of Saskatchewan	$ 5,400	$ -
Information Services Corporation of Saskatchewan	24,336	20,246
Saskatchewan Opportunities Corporation	35,201	32,065
Saskatchewan Water Corporation	3,258	1,823
SaskEnergy Incorporated	169,600	241,000
Total Short-term Loans	237,795	295,134

	Principal Outstanding	Less Sinking Fund Equity		
Long-term Loans				
Agricultural Credit Corporation of Saskatchewan	$ 33,951	$ -	33,951	59,835
Crown Investments Corporation of Saskatchewan	175,027	155,017	20,010	43,203
Information Services Corporation of Saskatchewan	30,000	-	30,000	-
Municipal Financing Corporation of Saskatchewan	24,575	-	24,575	59,575
Saskatchewan Housing Corporation	139,959	1,603	138,356	156,157
Saskatchewan Opportunities Corporation	130,000	2,798	127,202	118,187
Saskatchewan Power Corporation	2,007,664	104,458	1,903,206	1,710,159
Saskatchewan Property Management Corporation	5,500	-	5,500	-
Saskatchewan Telecommunications Holding Corporation	463,462	29,840	433,622	437,446
Saskatchewan Water Corporation	38,984	3,294	35,690	36,780
SaskEnergy Incorporated	634,186	15,903	618,283	562,486
Total Long-term Loans	$ 3,683,308	$ 312,913	3,370,395	3,183,828
Total Loans to Crown Corporations			$ 3,608,190	$ 3,478,962

General Revenue Fund
Schedules to the Financial Statements

Schedule 3 - Other Loans

(thousands of dollars)

	2002		2001	
Agriculture and Food				
Agri-Food Equity Fund		$ 22,825		$ 17,825
Short-term Hog Loans	$ 1,361		$ 6,030	
Less: Provision for Loss	273	1,088	1,209	4,821
Economic and Co-operative Development				
Economic Development Loans	3,478		3,794	
Less: Provision for Loss	2,285	1,193	2,395	1,399
Hudson Bay Mining and Smelting Co. Ltd		2,405		2,513
Northern Economic Development	3,610		3,237	
Less: Provision for Loss	972	2,638	733	2,504
Small Business Loans Association	8,172		7,941	
Less: Provision for Loss	1,827	6,345	1,522	6,419
Finance				
Treasury Advances		1,307		1,337
Post-Secondary Education and Skills Training				
Saskatchewan Student Aid Fund		62,790		-
Other		731		857
Total Other Loans		$ 101,322		$ 37,675

General Revenue Fund
Schedules to the Financial Statements

Schedule 4 - Accounts Payable and Accrued Liabilities

(thousands of dollars)

	2002	2001
Personal services	$ 49,907	$ 34,210
Travel	3,542	3,540
Transfers	289,245	273,396
Supplier payments	56,044	73,745
Accrued interest	152,799	178,530
Transfers payable to the federal government	24,960	21,588
Other accounts payable and accrued liabilities	74,609	155,888
Total Accounts Payable and Accrued Liabilities	$ 651,106	$ 740,897

Total includes $154.5 million payable to related parties (2001 - $107.3 million) and $29.3 million payable to the federal government (2001 - $51.1 million).

Schedule 5 - Deposits Held

(thousands of dollars)

	2002	2001
Deposits held on behalf of Government entities and others		
Agri-Food Equity Fund	$ 3,582	$ 2,278
Agri-Food Innovation Fund	10,328	14,578
Cattle Marketing Deductions Fund	4,006	3,248
Crop Reinsurance Fund of Saskatchewan	118,892	102,959
Extended Health Care Plans	8,860	5,597
Fiscal Stabilization Fund	495,000	775,000
Fish and Wildlife Development Fund	4,547	4,276
Forest Fire Contingency Fund	33,995	-
Liquor and Gaming Authority	32,348	12,925
Millennium Scholarship Trust Fund	9,781	-
New Crops Insurance Program	23,732	28,630
Public Employees Dental Fund	11,828	9,222
Public Employees Pension Plan	6,279	5,714
Queen's Bench Court Accounts	8,335	9,614
Saskatchewan Agricultural Stabilization Fund	4,721	56,242
Saskatchewan Crop Insurance Corporation	166,204	262,346
Saskatchewan Grain Car Corporation	13,116	11,659
Saskatchewan Health Information Network	4,667	2,007
Saskatchewan Student Aid Fund	72,191	57,136
School Division Tax Loss Compensation Fund	3,822	3,096
Teachers' Superannuation Commission	3,876	4,171
Transportation Partnership Fund	5,339	2,973
Other	17,705	15,111
Conditional Receipts	1,838	2,363
Total Deposits Held	$ 1,064,992	$ 1,391,145

General Revenue Fund
Schedules to the Financial Statements

Schedule 6 - Debt

(thousands of dollars)

	2002				2001
	Promissory Notes	Debentures	Less Sinking Funds[1]	Debt	Debt
Crown Corporation Purposes					
Agricultural Credit Corporation of Saskatchewan	$ 5,400	$ 33,951	$ -	$ 39,351	$ 59,835
Crown Investments Corporation of Saskatchewan	-	175,027	155,017	20,010	43,203
Information Services Corporation of Saskatchewan	24,336	30,000	-	54,336	20,246
Municipal Financing Corporation of Saskatchewan	-	24,575	-	24,575	59,575
Saskatchewan Housing Corporation	-	139,959	1,603	138,356	156,157
Saskatchewan Opportunities Corporation	35,201	130,000	2,798	162,403	150,252
Saskatchewan Power Corporation	-	2,007,664	104,458	1,903,206	1,710,159
Saskatchewan Property Management Corporation	-	5,500	-	5,500	-
Saskatchewan Telecommunications Holding Corporation	-	463,462	29,840	433,622	437,446
Saskatchewan Water Corporation	3,258	38,984	3,294	38,948	38,603
SaskEnergy Incorporated	169,600	634,186	15,903	787,883	803,486
Total Crown Corporation Purposes	237,795	3,683,308	312,913	3,608,190	3,478,962
General Government Purposes	164,205	8,001,698	604,004	7,561,899	7,405,479
Debt[2]	$ 402,000	$ 11,685,006	$ 916,917	$ 11,170,089	$ 10,884,441

Debt repayable in foreign currency has been restated in Canadian dollar equivalents.

[1] See Schedule 7 for information on sinking funds.

[2] See Schedule 8 for information on debt by maturity.

General Revenue Fund
Schedules to the Financial Statements

Schedule 7 - Sinking Funds

(thousands of dollars)

	2001	2002				
	Sinking Funds	Contributions	Earnings	Less Redemptions	Currency Adjustment	Sinking Funds
Crown Corporation Purposes						
Agricultural Credit Corporation of Saskatchewan	$ 7,116	$ -	$ 181	$ 7,297	$ -	$ -
Crown Investments Corporation of Saskatchewan	232,992	5,000	10,850	93,825	-	155,017
Saskatchewan Housing Corporation	949	585	69	-	-	1,603
Saskatchewan Opportunities Corporation	1,813	850	135	-	-	2,798
Saskatchewan Power Corporation	87,539	9,961	6,242	-	716	104,458
Saskatchewan Telecommunications Holding Corporation	24,406	3,226	1,927	-	281	29,840
Saskatchewan Water Corporation	2,832	302	160	-	-	3,294
SaskEnergy Incorporated	11,701	3,440	762	-	-	15,903
Total Crown Corporation Purposes	369,348	23,364	20,326	101,122	997	312,913
General Government Purposes	507,276	58,677	35,216	-	2,835	604,004
Total Sinking Funds	$ 876,624	$ 82,041	$ 55,542	$ 101,122	$ 3,832	$ 916,917

The market value of sinking funds at March 31, 2002 is $912.3 million (2001 - $890.3 million).

Sinking Fund earnings include gains on investment sales of $4.4 million (2001 - $7.5 million).

Annual contributions, when established by Order in Council, are set at not less than one per cent of debentures outstanding. The redemption value is based on the market value of the sinking fund units at the date of redemption.

The aggregate amount of contributions estimated to be required in each of the next five fiscal years to meet sinking fund requirements are:

(thousands of dollars)

	2003	2004	2005	2006	2007	Total
Contributions	$ 83,073	$ 83,073	$ 79,386	$ 69,762	$ 66,762	$ 382,056
Less recoverable from Crown corporations	21,688	21,688	20,891	20,641	19,823	104,731
General Government Purposes	$ 61,385	$ 61,385	$ 58,495	$ 49,121	$ 46,939	$ 277,325

Sinking Fund assets are as follows:

(thousands of dollars)

	2002	2001
Long-term Investments		
Province of Saskatchewan securities, coupon interest range, 4.75% to 10.25%; range of term to maturity, 1.3 to 29.4 years	$ 312,711	$ 370,036
Government of Canada securities, coupon interest range, 5.0% to 7.25%; range of term to maturity, 1.5 to 27.2 years	226,235	43,291
Other provincial governments' securities, coupon interest range, 5.25% to 10.50%; range of term to maturity, 4.0 to 37.3 years	275,749	275,634
Government of the United States securities, coupon interest range, 3.5% to 8.875%; range of term to maturity, 4.6 to 28.9 years	47,628	17,558
Other	-	12,951
Cash, short term investments and accrued interest	54,594	157,154
Total Sinking Funds	$ 916,917	$ 876,624

Short term investments include $0 million (2001 - $135.7 million) Province of Saskatchewan securities.

Cash, short term investments and accrued interest are disclosed net of $2.0 million in liabilities (2001 - $7.9 million).

Included are U.S. dollar cash, investments and accrued interest converted to $337.6 million Canadian (2001 - $289.6 million) at the exchange rate in effect at March 31, 2002, 1.5935 (March 31, 2001, 1.5774).

General Revenue Fund
Schedules to the Financial Statements

Schedule 8 - Debt by Maturity

(thousands of dollars)

Year of Maturity	2002 Canadian Dollar Debt	2002 U. S. Dollar Debt (CDN $)	2002 Total (CDN $)	2002 Average Coupon Rate	2001 Total (CDN $)	2001 Average Coupon Rate
Short-term promissory notes	$ 402,000	$ -	$ 402,000	2.26%	$ 633,100	5.01%
2001-02	-	-	-		777,985	8.82%
2002-03	390,601	-	390,601	10.25%	396,350	10.18%
2003-04	456,433	79,675	536,108	8.07%	538,841	8.06%
2004-05	1,319,447	-	1,319,447	8.99%	1,325,744	8.97%
2005-06	950,375	-	950,375	6.93%	903,928	7.05%
2006 - 07	1,247,668	-	1,247,668	6.22%	-	-
1 - 5 years	4,766,524	79,675	4,846,199		4,575,948	
6-10 years	2,501,115	309,139	2,810,254	7.14%	3,133,454	7.26%
11-15 years	947,115	796,750	1,743,865	8.63%	1,826,032	8.70%
16-20 years	376,888	796,750	1,173,638	9.05%	912,411	8.90%
21-25 years	175,000	478,050	653,050	8.57%	903,220	8.86%
26-30 years	860,000	-	860,000	6.09%	410,000	5.64%
	9,626,642	2,460,364	12,087,006		11,761,065	
Less: Sinking funds	579,334	337,583	916,917		876,624	
Debt	9,047,308	2,122,781	$ 11,170,089		$ 10,884,441	

The average effective interest rate on debt during 2001-02 was 7.51% (2001 - 8.66%), and includes the impact of foreign exchange and the amortization of any premiums and discounts associated with the debentures.

The average term to maturity of debt outstanding at March 31, 2002 is 9.22 years (2001 - 8.89 years).

Debt includes Canada Pension Plan debentures of $1,219.6 million (2001 - $1,329.3 million) that are redeemable in whole or in part before maturity, on six months prior notice, at the option of the Minister of Finance of Canada. These debentures are callable in whole or in part before maturity, on 30 days prior notice, at the option of the Minister of Finance of Saskatchewan.

Total debt includes $390.0 million (2001 - $310.0 million) that provides the holder with a choice of dates on which the debt matures. The year of maturity in the above table reflects the earliest possible date of maturity rather than the maximum term to maturity.

Sensitivity of Debt Charges

U.S. dollar debentures have been converted to Canadian dollars at the exchange rate in effect at March 31, 2002 of 1.5935 (2001 - 1.5774). A one cent change in the value of the U.S. dollar compared to the Canadian dollar from the March 31, 2002 level would change debt charges by $3.2 million in 2002-03.

Debt includes floating rate debt of $1,746.3 million (2001 - $2,163.0 million). Floating rate debt is defined as the sum of floating rate debentures, short-term promissory notes, fixed rate debt maturing within one year and Saskatchewan Savings Bonds. A one percentage point increase in interest rates would increase debt servicing costs by $12.6 million in 2002-03.

Derivative Financial Instruments

Cross Currency Swaps

Included in debt are the following foreign denominated debt issues that have been hedged to Canadian dollars using cross currency swaps:

- debentures totalling 22.5 billion yen (2001 - 22.5 billion) fully hedged to $259.2 million Canadian (2001 - $259.2 million);
- debentures totalling 750.0 million U.S. dollars (2001 - 750.0 million) fully hedged to $1,037.0 million Canadian (2001 - $1,037.0 million);
- debentures totalling 102.3 million euros (2001 - 102.3 million) fully hedged to $154.1 million Canadian (2001 - $154.1 million); and
- debentures totalling 0 million Swiss francs (2001 - 200.0 million) fully hedged to $0 million Canadian (2001 - $145.4 million).

In total, cross currency swaps on a notional value of $1,709.4 million of debt (2001 - $1,854.8 million) existed at March 31, 2002.

Interest Rate Swaps

Interest rate swaps on a notional value of $1,197.2 million of debt (2001 - $947.2 million) existed at March 31, 2002.

Foreign Currency Forward Exchange Contracts

Forward purchase commitments to acquire, during 2002-03, $3.0 million U.S. dollars (2001 - $0) at a cost of $4.8 million Canadian (2001 - $0) were in place at March 31, 2002.

General Revenue Fund
Schedules to the Financial Statements

Schedule 9 - Guaranteed Debt

(thousands of dollars)

	2002	2001
Crown Corporations		
The Municipal Financing Corporation Act		
Guaranteed debentures	$ 2,500	$ 2,500
The Power Corporation Act		
National Trust Company	10,003	12,007
Luscar Ltd	23,465	25,105
Saskatchewan Power savings bonds		
Series I - series VII (matured)	66	100
The Saskatchewan Development Fund Act		
Guaranteed investments	1,200	1,272
The Saskatchewan Telecommunications Act		
Telebonds - series I (matured)	159	164
Total Crown Corporations	37,393	41,148
Other		
The Community Bonds Act	11	1,744
The Farm Financial Stability Act		
Breeder associations loan guarantees	16,224	15,970
Feeder associations loan guarantees	11,839	15,560
Agricultural Income Disaster Assistance Program	52	53
The Government Organization Act		
The Saskatchewan Roughriders Football Club	1,660	1,260
The Housing and Special-care Homes Act		
Senior citizens' housing	97	125
The Student Assistance and Student Aid Fund Act	296	314
The Industry and Commerce Development Act		
Saskferco Products Inc.	115,171	142,797
The NewGrade Energy Inc. Act		
NewGrade Energy Inc.	78,093	93,038
Total Other	223,443	270,861
Total Guaranteed Debt	$ 260,836	$ 312,009

In addition to the amount shown, there is a contingent liability for interest accrued on certain of these items.
Total guaranteed debt is net of a loss provision of $1.8 million (2001 - $1.0 million).
See page 31 for additional information.

General Revenue Fund
Schedules to the Financial Statements

Schedule 9 (continued) - Guaranteed Debt

National Trust Company

The government is contingently liable for payments on certain leased mining equipment, which was assumed by the purchaser of a mining operation. The lease expires in 2004.

Luscar Ltd.

The Government has guaranteed a $45 million promissory note issued by Luscar Ltd. to finance the purchase of a dragline from Saskatchewan Power Corporation. The note is due in 2003. The amount recorded is net of $21.5 million (2001 - $19.9 million) for Luscar Ltd.'s equity in a sinking fund administered by the Minister of Finance.

Breeder and Feeder Associations

The Government provides guarantees to lenders who make loans to production associations. The Government guarantees repayment of 25 per cent of the outstanding loan balance at the time of a first default on any advance, plus accrued interest as of the time that payment is to be made on the guarantee. Guarantees for each cattle/bison association are limited to $5 million for the breeder or feeder option. Guarantees for each sheep association are limited to $4 million for the breeder or feeder option.

Saskferco Products Inc.

The Government has guaranteed certain medium term notes issued by Saskferco to finance the construction of a nitrogen based fertilizer plant located near Belle Plaine. This guarantee pertains to debt denominated in U.S. dollars. Thus, the amount of the guarantee is influenced by changes in the value of the U.S. dollar relative to the Canadian dollar. The amount recorded is net of $120.7 million (2001 - $119.1 million) for Saskferco's equity in a sinking fund.

NewGrade Energy Inc. (NewGrade)

The Government has guaranteed certain long-term debt of NewGrade to a maximum of $360 million. A significant portion of this guarantee relates to U.S. dollar denominated debt. Thus, the amount of the guarantee is influenced by changes in the value of the U.S. dollar relative to the Canadian dollar.

General Revenue Fund
Schedules to the Financial Statements

Schedule 10 - Revenue

(thousands of dollars)

	Budget 2002	Actual 2002	Actual 2001
Taxation			
Corporation capital	$ 367,700	$ 363,204	$ 342,242
Corporation income	273,100	145,338	333,299
Fuel	367,700	353,765	345,136
Individual income	1,184,900	1,196,410	1,255,409
Sales	795,500	770,984	736,563
Tobacco	124,600	120,049	122,012
Other	65,000	72,429	67,573
Total Taxes	3,178,500	3,022,179	3,202,234
Non-renewable Resources			
Natural gas	167,900	129,067	239,305
Oil	511,500	555,337	799,049
Potash	160,900	179,658	199,296
Other	37,000	38,982	55,064
Total Non-renewable Resources	877,300	903,044	1,292,714
Transfers from Government Entities			
Crown Investments Corporation of Saskatchewan	200,000	200,000	-
Liquor and Gaming Authority - Net Income	312,700	315,710	316,412
Liquor and Gaming Authority - Retained Earnings	-	-	699,800
Other enterprises and funds	45,000	45,627	39,175
Total Transfers from Government Entities	557,700	561,337	1,055,387
Other Own-source Revenue			
Fines, forfeits, and penalties	14,100	14,331	12,732
Interest, premium, discount, and exchange	47,300	40,684	55,458
Motor vehicle fees	112,700	117,898	113,844
Other licences and permits	47,500	41,100	42,011
Sales, services, and service fees	69,200	75,094	73,735
Transfers from other governments	17,500	15,790	15,970
Other	12,100	30,531	17,354
Total Other Own-source Revenue	320,400	335,428	331,104
Total Own-Source Revenue	4,933,900	4,821,988	5,881,439
Transfers from the Federal Government			
Canada Health and Social Transfer	594,000	608,908	552,378
Equalization	377,000	492,017	175,247
Other	136,800	136,161	144,539
Total Transfers from the Federal Government	1,107,800	1,237,086	872,164
Total Revenue	$ 6,041,700	$ 6,059,074	$ 6,753,603

General Revenue Fund
Schedules to the Financial Statements

Schedule 11 - Loss on Loans and Investments

(thousands of dollars)

	2002	2001
Other loans	$ (356)	$ (779)
Loss on sale of land	60	-
Total Loss on Loans and Investments	**$ (296)**	**$ (779)**

Schedule 12 - Net Change in Non-cash Operating Activities

(thousands of dollars)

	2002	2001
(Increase) Decrease in prepaid expenditures	$ (994)	$ 48
(Increase) in accounts receivable	(46,991)	(37,070)
Decrease (Increase) in deferred charges	9,871	(23,910)
(Decrease) in accounts payable and accrued liabilities	(89,791)	(43,352)
Increase in unearned revenue	1,021	2,714
Net Change in Non-cash Operating Activities	**$ (126,884)**	**$ (101,570)**

General Revenue Fund
Schedules to the Financial Statements

Schedule 13 - Investing Activities

(thousands of dollars)

	2002		2001	
	Receipts	Disbursements	Receipts	Disbursements
Loans				
Agricultural Credit Corporation of Saskatchewan	$ 33,000	$ 5,400	$ 168,600	$ -
Crown Investments Corporation of Saskatchewan	101,168	-	-	-
Information Services Corporation of Saskatchewan	-	34,090	-	13,316
Municipal Financing Corporation of Saskatchewan	35,000	-	27,916	-
Saskatchewan Housing Corporation	41,647	24,500	27,603	10,336
Saskatchewan Opportunities Corporation	-	13,136	-	25,359
Saskatchewan Power Corporation	-	200,000	54,703	-
Saskatchewan Property Management Corporation	-	5,500	-	-
Saskatchewan Telecommunications Holding Corporation	-	-	89,693	90,000
Saskatchewan Water Corporation	628	1,435	17,355	-
SaskEnergy Incorporated	71,401	60,000	272,934	341,271
Other	13,173	76,464	13,198	15,032
Total Loan Receipts and Disbursements	296,017	420,525	672,002	495,314
Sinking Funds Contributions	23,364	82,041	24,583	77,252
Other				
Equity Investment in Crown Investments Corporation of Saskatchewan	120,000	-	-	-
Other	1,253	30	1,357	71
Total Other Receipts and Disbursements	121,253	30	1,357	71
Total Receipts and Disbursements	440,634	502,596	697,942	572,637
Net (Disbursements) Receipts	$ (61,962)		$ 125,305	

Fiscal Stabilization Fund
(unaudited)

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Fiscal Stabilization Fund
Schedule of Transfers and Accumulated Balance

For the Year Ended March 31, 2002
(unaudited)

(thousands of dollars)

	Budget 2002	**Actual 2002**	Actual 2001
Balance, beginning of year	$ 775,000	**$ 775,000**	$ -
Transfer (to) from the General Revenue Fund	(263,700)	**(280,000)**	775,000
Balance, End of Year	$ 511,300	**$ 495,000**	$ 775,000

The Fiscal Stabilization Fund (Fund) was established April 1, 2000, by *The Fiscal Stabilization Fund Act.* Its purpose is to stabilize the fiscal position of the Government to facilitate long-term planning.

Stabilization occurs through transfers between the Fund and the General Revenue Fund (GRF), as approved from time to time by Treasury Board.

Transfers to the Fund from the GRF are statutory disbursements.

Amounts transferred to the GRF from the Fund are available for expenditure subsequent to receiving required approval from the Legislative Assembly.

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Summary Financial Statements

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Government of Saskatchewan
Responsibility for Summary Financial Statements

The Government is responsible for the Summary Financial Statements. The Government maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to get reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are maintained.

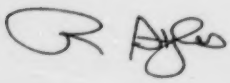
The Provincial Comptroller prepares these statements following the Government's stated accounting policies and using the Government's best estimates and judgement when appropriate. He uses information from the accounts of the General Revenue Fund, Crown corporations, agencies, and other funds to prepare these statements.

The Provincial Auditor expresses an independent opinion on these statements. His report states the scope of his audit and opinion and appears on the following page.

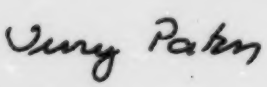
Treasury Board approves the Summary Financial Statements. The Minister of Finance tables the statements in the Legislative Assembly as part of the Public Accounts. The Legislative Assembly refers the Public Accounts to the Standing Committee on Public Accounts for review.

On behalf of the Government of the Province of Saskatchewan.

Eric Cline
Minister of Finance



Ron Styles
Deputy Minister of Finance



Terry Paton
Provincial Comptroller

Regina, Saskatchewan
June 2002

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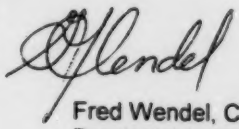
Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have audited the summary statement of financial assets, liabilities, and accumulated deficit of the Government of Saskatchewan as at March 31, 2002 and the summary statements of revenue, expenditure, and accumulated deficit and cash flow for the year then ended. These financial statements are the responsibility of Treasury Board. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these summary financial statements present fairly, in all material respects, the financial position of the Government of Saskatchewan as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for governments.



Regina, Saskatchewan
June 4, 2002

Fred Wendel, CMA, CA
Provincial Auditor

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Government of Saskatchewan
Summary Statement of Financial Assets, Liabilities, and Accumulated Deficit
As at March 31, 2002

(thousands of dollars)

Schedule		2002	2001 (Restated)
	Financial Assets		
	Cash and temporary investments (note 2)	$ 673,326	$ 884,053
	Prepaid expenditures	27,128	23,387
1	Accounts receivable	708,155	660,989
	Inventories held for resale	6,534	6,587
	Land held for resale (note 3)	124,231	128,894
	Deferred charges	58,528	65,947
	Deferred foreign exchange loss	227,577	234,326
2	Loans and mortgages receivable	112,176	142,229
3	Investment in government enterprises	2,247,746	2,280,313
4	Other investments	640,957	722,849
Total Financial Assets		4,826,358	5,149,574
	Liabilities		
5	Accounts payable and accrued liabilities	1,085,525	1,156,684
6	Other liabilities	99,049	60,404
	Unearned revenue	229,675	212,378
7,8 & 9	Public debt (note 6)	8,167,690	8,032,557
	Pension liabilities (note 7)	3,952,483	3,912,647
Total Liabilities		13,534,422	13,374,670
Accumulated Deficit		$ (8,708,064)	$ (8,225,096)

(See accompanying notes)

Tangible capital assets (note 4)
Contingencies and commitments (notes 12 and 13)
10 Guaranteed debt

Government of Saskatchewan
Summary Statement of Revenue, Expenditure, and Accumulated Deficit
For the Year Ended March 31, 2002

(thousands of dollars)

Schedule		2002	2001 (Restated)
Revenue			
11	Taxation	$ 3,023,328	$ 3,203,256
11	Non-renewable resources	903,044	1,292,714
11	Other own-source revenue	1,070,147	923,743
11	Transfers from the federal government	1,517,880	1,028,823
Total Revenue		6,514,399	6,448,536
Expenditure			
	Agriculture	837,288	321,524
	Community development	203,769	176,106
	Debt charges (note 9)	890,784	947,229
	Economic development	140,963	150,793
	Education	987,197	1,018,884
	Environment and natural resources	156,393	148,558
	Health	2,423,522	2,223,259
	Protection of persons and property	298,852	265,584
	Social services and assistance	783,623	782,481
	Transportation	337,282	302,904
	Other	363,755	292,401
Total Expenditure (note 10)		7,423,428	6,629,723
	Deficit from government service organizations	(909,029)	(181,187)
3	Income from government enterprises	426,061	642,386
(Deficit) Surplus		(482,968)	461,199
Accumulated deficit, beginning of year, as restated (note 15)		(8,225,096)	(8,686,295)
Accumulated Deficit, End of Year (note 8)		$ (8,708,064)	$ (8,225,096)

(See accompanying notes)

Government of Saskatchewan
Summary Statement of Cash Flow

For the Year Ended March 31, 2002

(thousands of dollars)

Schedule		2002	2001 (Restated)
	Operating Activities		
	(Deficit) Surplus for the year	$ (482,968)	$ 461,199
	Add (deduct) non-cash items		
3	Income from government enterprises	(426,061)	(642,386)
	Amortization of foreign exchange gains and losses	17,196	14,095
12	Gain on other investments	(114,396)	(69,950)
	(Reduction of) provision for loan/mortgage losses	(7,232)	2,513
	Dividends received from other investments	1,255	761
3	Dividends received from government enterprises	458,628	1,261,281
13	Net change in non-cash operating activities	(97,297)	(163,504)
	Cash (Used for) Provided by Operating Activities	(650,875)	864,009
	Investing Activities		
	Disposal of land held for resale	4,663	2,086
	Net decrease in loans and mortgages receivable	37,285	14,937
	Acquisition of other investments	(61,062)	(87,053)
	Disposition of other investments	256,096	75,525
	Cash Provided by Investing Activities	236,982	5,495
	Financing Activities		
	Proceeds from public debt	977,510	1,423,242
	Repayment of public debt	(852,825)	(1,653,850)
	Increase (decrease) in pension and other liabilities	78,481	(549,530)
	Cash Provided by (Used for) Financing Activities	203,166	(780,138)
	(Decrease) increase in cash and temporary investments	(210,727)	89,366
	Cash and temporary investments, beginning of year	884,053	794,687
	Cash and Temporary Investments, End of Year	$ 673,326	$ 884,053

(See accompanying notes)

Government of Saskatchewan
Notes to the Summary Financial Statements

For the Year Ended March 31, 2002

1. Significant Accounting Policies

These Summary Financial Statements are prepared in accordance with generally accepted accounting principles for senior governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The significant accounting policies are summarized below.

a) Reporting entity

These financial statements report the financial activities of organizations which are accountable for the administration of their financial affairs and resources either to a Minister of the Government or directly to the Legislative Assembly and which are owned or controlled by the Government.

Trusts administered by the Government are excluded from the reporting entity.

A listing of organizations included in the reporting entity is provided in schedule 14. Unless otherwise noted, the financial activities of all subsidiaries of these organizations have also been included.

b) Method of consolidation

The accounts of all government organizations, except those designated as government enterprises, are consolidated after adjustment to a basis consistent with the accounting policies described in note 1(c). These organizations are referred to as government service organizations. Significant inter-organization accounts and transactions are eliminated.

Government enterprises are defined as self-sufficient organizations that have the financial and operating authority to sell goods and services to individuals and non-government organizations as their principal activity.

Government enterprises are recorded using the modified equity method. The Government's investment in government enterprises, which is initially recorded at cost, is adjusted annually to include the net earnings/losses and other net equity changes of the enterprise without adjustment to conform with the accounting policies described in note 1(c). With the exception of dividends declared by March 31, inter-organization accounts and transactions are not eliminated.

Financial results of government organizations whose fiscal year-ends are not March 31 are adjusted for transactions having a significant impact on the consolidated operating results.

c) Basis of accounting

The accrual basis of accounting is used and specifically expressed as follows:

Revenue

Revenues are recorded on the accrual basis except for receipts from the federal government for corporate and personal income taxes, which are recorded on the cash basis. Government transfers are recognized as revenue in the period during which the transfer is authorized and any eligibility criteria are met.

Expenditure

Expenditures are recorded on the accrual basis and include the cost of tangible capital assets and inventories of supplies acquired during the year. Government transfers are recognized as expenditures in the period during which the transfer is authorized and any eligibility criteria are met.

Assets

Financial assets are those assets on hand at the end of an accounting period which could provide resources to discharge existing liabilities or finance future operations.

Temporary investments are recorded at cost which approximates market value.

Inventories held for resale are recorded at the lower of cost and net realizable value. ***Inventories of supplies*** are recorded as an expenditure in the period acquired.

Land held for resale is valued at the lower of cost or net realizable value, on an aggregate basis.

Deferred charges include issue costs and net discounts or premiums incurred on the issue of public debt. They are recorded at cost and amortized on a straight-line basis over the remaining life of the debt issue.

Deferred foreign exchange loss includes net unrealized foreign exchange gains and losses resulting from the conversion of debentures due and sinking funds held in a foreign currency to the Canadian dollar equivalent at the exchange rate in effect at

Government of Saskatchewan
Notes to the Summary Financial Statements

March 31. Realized foreign exchange gains and losses are included in the surplus or deficit for the year. Unrealized foreign exchange gains and losses are amortized on a straight-line basis over the remaining life of the debt issue.

Loans and mortgages receivable are initially recorded at cost. Where there has been a loss in value that is other than a temporary decline, the loan or mortgage is written down to recognize the loss. Interest is recognized on the accrual basis except where collection is uncertain. Interest is then recorded on the cash basis.

Other investments are made up of: equity investments; portfolio investments; bonds, debentures and other advances; and property holdings. Equity investments include government business partnerships. Other investments are accounted for by various methods as described below and are written down to their fair value when there is evidence of a permanent decline in value.

Equity investments exist when the Government holds shares of private or public companies and exercises significant influence but has less than a controlling interest or when the Government has shared control, as in government business partnerships. These investments are accounted for by the modified equity method. Using this method, the carrying value of the investment is adjusted for the Government's share of the investee's net earnings or losses and is reduced by dividends and partnership distributions received from these investments.

Government business partnerships are equity investments where there is a contractual arrangement between the Government and one or more partners outside the reporting entity and where these partners share, on an equitable basis, the significant risks and benefits associated with operating the partnership. These partnerships are self-sufficient organizations that have the financial and operating authority to sell goods and services to individuals and non-government organizations as their principal activity. Government business partnerships are recorded using the modified equity method.

Portfolio investments exist when the Government holds shares of private or public companies and the Government does not exercise significant influence. Portfolio investments are recorded at cost, and dividends from these shares are recorded as income when receivable.

Bonds, debentures and other advances are recorded at amortized cost.

Tangible capital assets held by government service organizations are recorded as an expenditure in the period acquired. Capital assets held by government enterprises, as disclosed in schedule 3, are generally recorded at cost and amortized on a straight-line basis over the estimated productive life of each asset.

Liabilities

Reported liabilities include obligations to outside organizations and individuals as a result of transactions and events occurring prior to year-end. They are the result of financial obligations to repay borrowing or to pay for goods and services acquired prior to year-end and of revenue, where goods or services will be delivered in the future.

Unearned revenue is revenue that will be earned in a subsequent fiscal year and includes: revenue for Crown mineral leases; fees, permits and licences; and restricted funding from the federal government and other organizations.

Public debt consists of promissory notes, debentures and bank indebtedness of government service organizations which are recorded net of amounts reimbursable from government enterprises. Total public debt includes public debt and debt of government enterprises, as disclosed in schedule 3.

Public debt is recorded at par. Premiums, discounts and issue costs are recorded as deferred charges and are amortized on a straight-line basis over the remaining life of the debt issue.

Certain debenture issues require contributions to a sinking fund. These obligations are recorded at principal less sinking fund balances where applicable. Premiums and discounts on long-term investments within these sinking funds are amortized by the type of security on a constant yield basis.

Debt issues and sinking fund investments held in foreign currencies are converted to the Canadian dollar equivalent at the exchange rate in effect at March 31.

Pension liabilities are calculated using the projected benefit method prorated on services. Pension fund assets are valued at market related values. Changes in the pension liabilities as a result of estimation adjustments due to experience gains and losses and changes in actuarial assumptions are amortized on a straight-line basis over the expected average remaining service life of the related employee group. Gains or losses as a result of plan amendments are recognized in the period of the plan amendment.

Guaranteed debt includes guarantees of the Government made through specific agreements or legislation to repay promissory notes, bank loans, lines of credit, mortgages and other securities. Loss provisions on guaranteed debt are recorded when it is likely that a loss will occur. The amount of the loss provision represents the Government's best estimate of future payments less recoveries. The loss provision is recorded as a liability and an expenditure in the year determined and is adjusted as necessary to ensure it equals the expected payout of the guarantee.

Government of Saskatchewan
Notes to the Summary Financial Statements

2. Cash and Temporary Investments

Temporary investments are generally for less than 30 days and have an average effective interest rate of 2.02 per cent.

3. Land Held for Resale

The estimated net realizable value of the Government's land held for resale at March 31, 2002 is $209.8 million (2001 - $218.4 million).

4. Tangible Capital Assets

The Government has a significant investment in tangible capital assets that have a useful life of greater than one year. These assets are a key component in the delivery of government programs and provide on-going value to the public.

For government service organizations, tangible capital assets are recorded as an expenditure in the period acquired and are not included in the Statement of Financial Assets, Liabilities, and Accumulated Deficit. In the current year, government service organizations acquired tangible capital assets in the amount of $344.6 million (2001 restated - $294.6 million).

The following table includes the tangible capital assets held by government service organizations and does not include assets acquired by right or heritage assets. These assets are disclosed at cost and are generally amortized on a straight-line basis over the estimated useful life of the asset.

(thousands of dollars)

	2002								2001
	Land	Infra-structure[1]	Buildings	Machinery & Equipment	Vehicles	Capital Leases	Other[2]	Total	Total (Restated)
Estimated useful life	*Indefinite*	*15 years - Indefinite*	*3 - 50 years*	*2 - 40 years*	*2-20 years*	*Varies*	*1 - 50 years*		
Opening cost	$77,920	$2,803,896	$2,224,791	$795,175	$70,975	$69,495	$232,119	$6,274,371	$6,072,417
Reclassification[3]	7	-	50,002	2,752	109	(50)	(52,820)	-	-
Additions	1,277	133,051	48,139	64,513	7,517	3,952	86,107	344,556	294,605
Write-downs	-	-	(29,396)	(1,263)	(21)	-	(417)	(31,097)	(39,828)
Disposals	(1,585)	(28,280)	(6,539)	(21,840)	(7,383)	(2,700)	(1,873)	(70,200)	(52,823)
Closing cost	77,619	2,908,667	2,286,997	839,337	71,197	70,697	263,116	6,517,630	6,274,371
Opening accumulated amortization	-	1,272,050	735,780	543,117	43,152	43,419	69,904	2,707,422	2,539,274
Reclassification[3]	-	-	289	(852)	85	(128)	606	-	-
Annual amortization	-	79,653	74,687	59,724	5,330	3,922	17,353	240,669	247,785
Write-downs	-	-	(15,896)	(345)	-	-	(1)	(16,242)	(32,728)
Disposals	-	(28,280)	(5,879)	(19,497)	(5,551)	(2,687)	(1,587)	(63,481)	(46,909)
Closing accumulated amortization	-	1,323,423	788,981	582,147	43,016	44,526	86,275	2,868,368	2,707,422
Net Book Value of Tangible Capital Assets	$77,619	$1,585,244	$1,498,016	$257,190	$28,181	$26,171	$176,841	$3,649,262	$3,566,949

[1] The value of infrastructure, which consists of highways, bridges, and water control and irrigation projects, is disclosed for the first time in 2001-02. Accordingly, the March 2001 figures have been restated to include these assets (net book value $1,531.8 million).
[2] Includes construction in progress, computer software, furniture and office equipment, aircraft and other tangible capital assets.
[3] Includes the reclassification of construction in progress completed during the period.

5. Measurement Uncertainty

Uncertainty in the determination of the amount at which an item is recognized in financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount.

Measurement uncertainty exists in these financial statements in the accrual of pension obligations, non-renewable resources royalties, site restoration obligations, accident claims obligations and the federal government's Equalization and Canada Health and Social Transfer payments, and in the valuation of loans where repayment is contingent upon an organization's cash flows. The uncertainty arises from factors such as the effect on accrued pension obligations of actual experience compared to actuarial estimations and

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assumptions; the effect on accrued royalties of price and production sensitivities in the royalty structures; the effect on site restoration obligations of actual experience compared to historical estimations and assumptions; the effect on accrued accident claims obligations of actual experience compared to actuarial estimations and assumptions; the effect on transfers from the federal government of changes in economic and demographic conditions in the Province and the country; and the effect of commodity prices on cash flows. Management considers that it is reasonably possible that changes in future conditions, in the near term occurring within one fiscal year, could require a material change in the amounts recognized.

6. Risk Management of Public Debt

The Government borrows funds in both domestic and foreign capital markets by issuing Government of Saskatchewan securities. As a result of these transactions, the Government is exposed to four types of risk: interest rate risk, foreign exchange rate risk, credit risk and liquidity risk.

To manage these risks, the Government maintains a preference for fixed rate Canadian dollar denominated debt. Where market conditions dictate that other forms of debt are more attractive, the Government seeks opportunities to use derivative financial instruments to reduce these risks. A derivative financial instrument is a contract whose value is based on the value of another asset or index.

Interest rate risk is the risk that the Government's debt charges will increase due to changes in interest rates. This risk is managed by issuing debt securities at predominantly fixed rates of interest rather than at floating rates of interest. The Government seeks opportunities to effectively convert floating rate debt into fixed rate debt through the use of interest rate swaps. At March 31, 2002, 85.3 per cent (2001 - 81.4 per cent) of the principal value of the Government's debt issues effectively carried a rate of interest that was fixed for greater than a one-year period.

Foreign exchange rate risk is the risk that the Government's debt charges will increase due to a decline in the value of the Canadian dollar relative to other currencies. This risk is managed by maintaining a preference for issuing debt that is denominated in Canadian dollars. Where debt has been issued in foreign currencies, the Government seeks opportunities to effectively convert it into Canadian dollar debt through the use of cross currency swaps. At March 31, 2002, 81.5 per cent (2001 - 79.6 per cent) of the principal value of the Government's debt issues was effectively denominated in Canadian dollars.

Credit risk is the risk that a loss may occur from the failure of another party to meet its obligations under a derivative financial instrument contract. This risk is managed by dealing only with counterparties with good credit ratings and by establishing limits on individual counterparty exposures and monitoring those exposures on a regular basis. At March 31, 2002, 100 per cent (2001 - 100 per cent) of the Government's counterparties held a Standard and Poor's credit rating of A or better.

Liquidity risk is the risk that the Government will not be able to meet its financial commitments over the short-term. This risk is managed by distributing debt maturities over many years, maintaining sinking funds on long-term debt issues and maintaining adequate cash reserves and short-term borrowing programs as contingent sources of liquidity.

Schedule 9 provides more detailed information on the Government's use of derivative financial instruments.

7. Retirement Benefits

The Government sponsors several defined benefit and defined contribution pension plans.

Pension Liabilities

Defined benefit pension plans provide benefits based on length of service and pensionable earnings. A typical defined benefit pension plan provides pensions equal to 2 per cent of a member's average five years highest salary, multiplied by the years of service to a maximum of 35 years. Members contribute a percentage of salary, which may vary based on age, to their pension plan. Pensions and contribution rates are integrated with the Canada Pension Plan.

Actuarial valuations are performed at least triennially. These valuations are extrapolated by an actuary when a valuation is not done in the current fiscal year. Valuations are based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. These assumptions reflect estimates of expected long-term rates and short-term forecasts. Estimates vary based on the individual plan.

The accrued benefit obligation is determined using the projected benefit method prorated on services. Pension fund assets are valued at market related values based on actual market values averaged over a four year period. In the periods between valuations, the actuary estimates the market related value of pension fund assets using expected long-term rates of return for the individual plans.

Defined contribution plans provide pensions based on accumulated contributions and investment earnings. Employees contribute a percentage of salary. The Government matches employee current service contributions.

Pension fund assets of government sponsored defined benefit and defined contribution pension plans are invested in fixed income

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securities, equities, real estate and short-term monetary items. The investment in Government of Saskatchewan securities is insignificant for all plans.

a) Government Service Organizations

Defined benefit pension plans

The two main plans of government service organizations are the Teachers' Superannuation Plan (TSP) and the Public Service Superannuation Plan (PSSP). Other plans include Members of the Legislative Assembly Superannuation Plan (MLA), Judges of the Provincial Court Superannuation Plan (Judges), Saskatchewan Transportation Company Employees Superannuation Plan, Anti-TB League Employees Superannuation Plan and the Saskatchewan Pension Annuity Fund, an annuity underwriting operation.

The TSP provides inflation protection equal to 80 per cent of the annual increase in the Consumer Price Index. Other plans provide inflation indexing at the discretion of the Lieutenant Governor in Council.

The Government is required to match member current service contributions for all plans except Judges and the PSSP. Separate pension funds are maintained for all plans except the PSSP. PSSP member contributions are deposited into the General Revenue Fund. All pension obligations arising under the PSSP are paid from the General Revenue Fund.

Information on the defined benefit pension plans of government service organizations follows:

	2002				2001
	TSP	PSSP	Others	Total	Total
Plan status	closed	closed	closed[1]	n/a	n/a
Member contribution rate, percentage of salary	7.85	7 - 9[2]	5 - 9[2]	n/a	n/a
Number of active members	5,269	2,069	86	7,424	8,461
Average age of active members, years	50.6	52.1	55	51.1	49.9
Former members entitled to deferred pension benefits	6,675	124	10	6,809	7,162
Number of superannuates and surviving spouses	9,533	5,701	2,015	17,249	16,629
Member contributions (thousands of dollars)	$ 22,000	$ 6,278	$ 359	$ 28,637	$ 29,627
Government contributions (thousands of dollars)	56,000	-	4,807	60,807	54,803
Benefits paid (thousands of dollars)	224,326	92,586	6,569	323,481	306,930

[1] Judges is open to new membership, all other plans are closed.
[2] Contribution rate varies based on age upon joining the plan.

The assumptions used to determine the actuarial value of the accrued benefit obligation and pension fund assets for TSP and PSSP are as follows:

	TSP	PSSP
Rate of compensation increase	3.5%	3%
Expected long-term rate of return on plan assets	7.5%	N/A
Discount rate	7.5%	6.25%
Inflation rate	3%	3%

Based on the latest actuarial valuation, extrapolated to March 31, 2002, the present value of accrued pension benefits and the market related value of pension fund assets are shown in the table below:

(thousands of dollars)

		2002					2001
Plan Name	Actuarial Valuation Date	Accrued Benefit Obligation	Pension Fund Assets	Net Obligation	Unamortized Estimation Adjustments[1]	Recorded Pension Liabilities	Recorded Pension Liabilities
TSP[2]	Jun. 30/01	$ 3,682,000	$ 1,802,000	$ 1,880,000	$ 658,408	$ 2,538,408	$ 2,561,028
PSSP	Sept. 30/99	1,524,110	-	1,524,110	(183,174)	1,340,936	1,284,808
Others	Various	218,224	136,163	82,061	(8,922)	73,139	66,811
Total		$ 5,424,334	$ 1,938,163	$ 3,486,171	$ 466,312	$ 3,952,483	$ 3,912,647

[1] Amortized to income over 1 to 13 years, the estimated average remaining service life of active plan members at the time the estimation adjustment arises. The net estimation adjustment gains (losses) during the year are $245.8 million.
[2] The TSP accrued benefit obligation includes a liability of $78 million (2001 - $67 million) relating to the TSP disability provision.

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At March 31, 2002, the market value of plan investments was $1.9 billion (2001 - $2.0 billion). Of this amount, 43.7 per cent (2001 - 42.4 per cent) was invested in fixed income securities and 50.7 per cent (2001 - 52.7 per cent) in equity investments.

The TSP's actual rate of return on plan assets was 4.9 per cent (2001 - 4.5 per cent).

Defined contribution pension plans

The two main multi-employer defined contribution pension plans sponsored by the Government are the Public Employees Pension Plan (PEPP) and the Capital Pension Plan (Capital). The Government matches employee current service contributions to these plans. The Government also contributes to the Saskatchewan Teachers' Retirement Plan (STRP), sponsored by the Saskatchewan Teachers' Federation. The Government has fully funded its share of contributions to the defined contribution plans.

Information on the defined contribution pension plans of government service organizations follows:

	2002				2001
	Government Sponsored				
	PEPP	Capital	STRP	Total	Total
Plan status	open	open	n/a	n/a	n/a
Member contribution rate, percentage of salary	5 - 5.75[1]	5 - 5.5[1]	n/a	n/a	n/a
Government contribution rate, percentage of salary	5 - 5.75[1]	5.5 - 6[1]	n/a	n/a	n/a
Government Service Organization participation:					
Number of active members	20,573	614	n/a	21,187	20,123
Number of inactive members	8,710	15	n/a	8,725	7,977
Member contributions (thousands of dollars)	$ 34,584	$ 1,527	n/a	$ 36,111	$ 33,643
Government contributions (thousands of dollars)	34,622	1,627	$ 25,644	61,893	56,948

[1] Contribution rate varies based on employee group.

Pension expenditure

Pension expenditure for government service organizations is allocated to education expenditure and other expenditure. Pension interest expenditure is reported in debt charges. The total pension expenditure of government service organizations includes the following:

	(thousands of dollars)	
	2002	2001
Defined benefit pension plans:		
Current period benefit cost	$ 73,114	$ 77,828
Amortization of estimation adjustments	(89,196)	(23,241)
	(16,082)	54,587
Employee contributions	(28,637)	(29,627)
	(44,719)	24,960
Cost of financing unfunded pension obligation (pension interest expenditure)	231,670	227,176
Total pension expenditure, defined benefit plans	186,951	252,136
Defined contribution pension plans:		
Total pension expenditure, defined contribution plans	61,893	56,948
Total pension expenditure	$ 248,844	$ 309,084

b) Government Enterprises

Defined benefit pension plans

The two main defined benefit pension plans of government enterprises are the Power Corporation Superannuation Plan (SaskPower) and the Saskatchewan Telecommunications Pension Plan (SaskTel). Other pension plans include Saskatchewan Government Insurance Superannuation Plan, Liquor Board Superannuation Plan, and the Workers' Compensation Board Superannuation Plan.

The Government contributes the amount necessary to fund the payment of pension benefits.

Government of Saskatchewan
Notes to the Summary Financial Statements

Information on the defined benefit pension plans of government enterprises follows:

	2002				2001
	SaskPower	SaskTel	Others	Total	Total
Plan status	closed	closed	closed	n/a	n/a
Member contribution rate, percentage of salary	6 -9[1]	7 - 9[2]	6.5 - 9[2]	n/a	n/a
Number of active members	661	818	170	1,649	1,721
Number of former members, superannuates and surviving spouses	1,713	1,570	484	3,767	3,750
Member contributions (thousands of dollars)	$ 1,908	$ 2,703	$ 440	$ 5,051	$ 5,239
Government contributions (thousands of dollars)	479	-	2,140	2,619	2,515
Benefits paid (thousands of dollars)	38,455	38,719	7,021	84,195	88,340

[1] Contribution rate varies based on age upon joining the plan and employee group.
[2] Contribution rate varies based on age upon joining the plan.

The assumptions used to determine the amounts under the defined benefit pension plans are as follows:

Rate of compensation increase	2.8% - 4%
Expected long-term rate of return on plan assets	6.25% - 7.6%
Discount rate	6.25% - 6.8%
Inflation rate	2.8% - 3%

Based on the latest actuarial valuations extrapolated to December 31, 2001, the present value of accrued pension benefits and the market related value of pension fund assets are shown in the table below:

(thousands of dollars)

		2002			2001
Plan Name	Actuarial Valuation Date	Accrued Benefit Obligation	Pension Fund Assets	Pension (Surplus) Liability	Pension (Surplus) Liability
SaskPower	September 30, 2001	$ 640,650	$ 698,321	$ (57,671)	$ (102,041)
SaskTel	December 31, 1998	695,134	749,193	(54,059)	(155,055)
Others	Various	112,584	98,250	14,334	15,229
Total		$ 1,448,368	$ 1,545,764	$ (97,396)	$ (241,867)

At December 31, 2001, the market value of plan investments was $1.5 billion (2000 - $1.6 billion). Of this amount, 45.6 per cent (2000 - 43.5 per cent) was invested in fixed income securities and 45.6 per cent (2000 - 45.6 per cent) in equity investments.

Defined contribution pension plans

Information on the defined contribution pension plans of government enterprises follows:

	2002			2001
	PEPP	Capital	Total	Total
Plan status	open	open	n/a	n/a
Member contribution rate, percentage of salary	4 - 6[1]	5 - 5.5	n/a	n/a
Number of active members	7,783	2,006	9,789	9,507
Number of inactive members	2,523	61	2,584	2,460
Member contributions (thousands of dollars)	$ 15,839	$ 4,203	$ 20,042	$ 19,079
Government contributions (thousands of dollars)	19,986	4,089	24,075	22,860

[1] Contribution rate varies based on employee group.

Pension expense

Pension expense and pension interest expense for government enterprises are included in income from government enterprises. The pension expense (income) for the year for the defined benefit plans totalled $(28,154) million (2001 - $(21,395) million) and $24,075 million (2001 - $22,860 million) for the defined contribution plans.

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Other Future Benefit Plans

Other future benefit plans of government enterprises include defined benefit severance plans for management employees, union employees and the supplementary superannuation plan. The present value of accrued benefits is $40 million (2001 - $37.2 million) and the accrued benefit liability is $20.9 million (2001 - $18.7 million).

8. Reserves

The accumulated deficit of $8,708.1 million consists of an unallocated deficit component of $8,720.0 million and the Environmental Protection Reserve of $11.9 million. The Environmental Protection Reserve was created to provide contingency funding to mitigate unforeseen environmental problems related to uranium milling. The reserve is maintained at its March 31, 1992 balance.

9. Debt Charges

(thousands of dollars)

	2002	2001
Total interest costs	$ 1,126,774	$ 1,217,719
Less interest reimbursed from government enterprises	(260,838)	(292,530)
Other costs	24,848	22,040
Total Debt Charges	$ 890,784	$ 947,229

10. Expenditure by Object

(thousands of dollars)

	2002	2001 (Restated)
Transfers	$ 2,880,497	$ 2,475,557
Salaries and benefits	1,948,000	1,850,836
Operating costs	984,982	875,061
Debt charges	890,784	947,229
Tangible capital asset acquisitions	344,556	294,605
Other	374,609	186,435
Total Expenditure	$ 7,423,428	$ 6,629,723

11. Comparison of Planned to Actual Results

(thousands of dollars)

	2002		2001 (Restated)
	Planned	Actual	Actual
Surplus of the General Revenue Fund	$ 2,776	$ 1,098	$ 57,691
Income from government enterprises		426,061	642,386
(Deficit) Surplus of other government service organizations		(297,248)	1,096,426
Dividends received from government organizations included in the surplus figures above		(658,628)	(1,261,281)
Adjustments to conform to the basis of accounting described in note 1(c)		45,749	(74,023)
(Deficit) Surplus		$ (482,968)	$ 461,199

The planned and actual figures are before elimination of inter-organization transactions.

Government of Saskatchewan
Notes to the Summary Financial Statements

12. Contingencies

a) Guaranteed debt

At March 31, 2002, $323.1 million (2001- $386.7 million) in loans were guaranteed by the Government. Schedule 10 provides a listing of guaranteed debt.

b) Lawsuits

Up to $49.5 million may be paid depending on the outcome of lawsuits in progress.

c) Indian and Northern Affairs Canada

The Government pays for certain social services provided to status Indians and submits claims to the federal government for the cost of these services. The Government believes these costs are the responsibility of the federal government and that these costs are fully reimbursable. However, the federal government denies responsibility for a portion of these costs.

The Government is unable to determine whether the outstanding amounts will be reimbursed. The Government will account for any recovery resulting from the resolution of this contingency at the time of settlement. No provision for such a recovery has been made in these financial statements.

d) Other

Other contingencies of $3.1 million may be paid depending on the outcome of future events.

13. Commitments

Significant financial commitments include:

- forward purchase commitments of $1,729.7 million for coal contracted for future minimum deliveries valued at current prices;
- forward purchase commitments of approximately $3,000 million for power over the next 25 years;
- treaty land entitlement agreement commitments valued at approximately $67.1 million;
- other commitments of $838.4 million which include commitments of $23.3 million for agriculture, $13.6 million for community development, $82.8 million for economic development, $70.1 million for education, $51.0 million for health, $123.4 million for social services and assistance, and $61.9 million for transportation; and
- capital and operating lease obligations as follows:

(thousands of dollars)

	Operating	Capital
Future minimum lease payments		
2002-03	$ 62,703	$ 15,835
2003-04	61,057	16,779
2004-05	52,772	15,458
2005-06	43,279	13,934
2006-07	34,132	11,482
Thereafter	44,679	54,590
	298,622	128,078
Less: Interest and executory costs	-	(44,575)
Total Lease Obligations	$ 298,622	$ 83,503

Total operating lease obligations include $201.4 million for government service organizations and $97.2 million for government enterprises.

Total capital lease obligations include $47.8 million for government service organizations (schedule 5) and $35.7 million for government enterprises.

Government of Saskatchewan
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14. Trust Funds

Trust funds are property held and administered on behalf of beneficiaries. Trust assets are not owned by the Government and the Government has no equity in the funds. Therefore, trust funds are not included in the reporting entity.

Fund balances held and administered by the Government at March 31, 2002, are as follows:

(thousands of dollars)

	2002	2001
Superannuation funds and pension plans[1]	$ 8,098,203	$ 8,086,125
Public Trustee's Trust Account	139,542	135,357
Other trusts	30,161	39,543
Total Trust Funds	$ 8,267,906	$ 8,261,025

[1] The balance reflects the latest financial statements of the funds and plans closest to March 31, 2002.

15. Comparative Figures

Certain of the 2001 comparative figures have been reclassified to conform with the current year's presentation. In addition, the following changes in accounting policy required restatement of the 2001 comparative figures.

Property Holdings

During 2001-02, certain property holdings were reclassified from other investments to tangible capital assets. The Government's policy is to record tangible capital assets as an expenditure in the period acquired. The effect of this change in policy in the current year is an increase in expenditure of $14 million. The Government has retroactively restated comparative figures to record this change in accounting policy.

Government Enterprises

a) Foreign Currency Translation

During 2001-02, certain government enterprises adopted the recommendations of the Canadian Institute of Chartered Accountants (CICA) for foreign currency translation. Prior to 2001-02, government enterprises deferred and amortized unrealized foreign exchange gains and losses on long-term monetary items. The new recommendations of the CICA require that unrealized foreign exchange gains and losses be included in income of the current period. The effect of this change in policy in the current year is a decrease in income from government enterprises of $37 million. The Government has retroactively restated comparative figures to record this change in accounting policy.

b) Future Benefits Administration Costs

During 2001-02, the Workers' Compensation Board (Saskatchewan) (WCB) changed its policy of accounting for the estimated future costs of administering benefit claims incurred. Prior to 2001-02, these costs were accounted for as reserves. WCB now records the estimated future costs as a liability. The effect of this change in policy in the current year is a decrease in income from government enterprises of $3 million. The Government has retroactively restated comparative figures to record this change in accounting policy.

The net effect of the restatements is as follows:

(thousands of dollars)

	Increase (Decrease)			
	March 31, 2001			March 31, 2000
	Surplus for the year	Assets	Liabilities	Accumulated Deficit
As previously reported	$ 506,354	$ 5,456,120	$13,374,670	$ 8,424,904
Property Holdings	(23,465)	(128,482)	-	105,017
Government Enterprises				
Foreign Currency Translation	(21,282)	(146,868)	-	125,586
Future Benefits Administration Costs	(408)	(31,196)	-	30,788
As restated	$ 461,199	$ 5,149,574	$13,374,670	$ 8,686,295

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Schedules to the Summary Financial Statements

For the Year Ended March 31, 2002

Schedule 1 - Accounts Receivable

(thousands of dollars)

	2002	2001
Taxation	$ 154,429	$ 142,254
Non-renewable resources	123,838	119,715
Transfers from the federal government	54,426	64,506
Leases and farm loans	10,858	12,543
Accrued interest	5,321	4,484
Insurance premiums due from agricultural producers	2,917	6,498
Other	356,366	310,989
Total Accounts Receivable	$ 708,155	$ 660,989

Schedule 2 - Loans and Mortgages Receivable

(thousands of dollars)

	2002	2001
Agricultural Loans		
Capital loan program	$ 63,967	$ 79,552
Production loan program	1,781	2,526
Short-term hog loan program	1,361	6,030
Counselling and Assistance for Farmers program	1,349	1,832
Livestock cash advance program	980	1,517
Other	391	749
	69,829	92,206
Provision for losses	(24,208)	(37,336)
	45,621	54,870
Student Loans	37,536	9,348
Provision for losses	(11,996)	(6,430)
	25,540	2,918
Other Loans	63,959	70,604
Provision for losses	(27,312)	(26,954)
	36,647	43,650
Mortgages		
Housing	4,368	4,505
Cornwall Centre	-	36,050
Other	-	236
	4,368	40,791
Total Loans and Mortgages Receivable	$ 112,176	$ 142,229

See page 59 for additional information.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 2 (continued) - Loans and Mortgages Receivable

Capital loan program

Loans are repayable over terms not exceeding twenty-five years and bear interest at rates between 6.0 per cent and 13.5 per cent. Security on individual loans varies and may include mortgages on real property, security agreements and guarantees. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

Production loan program

Production loans were disbursed in 1986 bearing interest at 6.0 per cent repayable in equal principal instalments over a term of three years. Amounts in arrears are at prime plus 2 per cent. Program amendments allowed borrowers to reschedule their outstanding loans at an average rate of 9.0 per cent. The loans are secured by promissory notes and, where applicable, by guarantees and general security agreements. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

Short-term hog loan program

Loan applications were accepted under this program between January 15, 1999 and July 5, 1999 for hogs marketed between November 1, 1998 and May 29, 1999. The loans are repayable, at floating interest rates, in full by March 31, 2003. Penalty interest is charged at prime plus 2 per cent. The program operates under *The Farm Financial Stability Act*.

Counselling and Assistance for Farmers program

Effective August 1, 1992, the Government no longer issued new guarantees under this program. Existing guarantees were renewed until March 31, 1995, at which time the program was terminated. The majority of loans are in default, have judgements obtained on them and bear interest at 5 per cent. The loans are secured by way of an assignment of security from the original lender. The program operates under *The Farm Financial Stability Act*.

Livestock cash advance program

Effective August 1, 1993, clients with livestock cash advances began repaying their loans, bearing interest at the bank prime rate plus 2 per cent, over a maximum five-year period. Program amendments allowed borrowers to reschedule their outstanding loans at an average rate of 9.0 per cent. The loans are secured by promissory notes and, where applicable, by guarantees. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

Student loans

The program operates under the authority of *The Student Assistance and Student Aid Fund Act, 1985*. Loans are interest-free until the discontinuance of full-time studies or graduation. Interest rates are prescribed by the Minister of Post-Secondary Education and Skills Training. Special incentive loan remission grants, student bursaries, scholarships, study grants and other varieties of loan forgiveness are available to students who meet specific criteria.

A Risk Sharing Student Loans Agreement between the Government and a bank was signed in March 1996. This Agreement covers loans approved between August 1, 1996 and July 31, 2001. The Government retained responsibility for loan approval. Loans approved are lender-financed, disbursed, managed and collected by the bank. The Government pays a risk premium of 5.0 per cent to the bank when loans become repayable.

In June 2001, the Government entered into an agreement with the federal government to integrate the federal and provincial student loans programs. This agreement is effective for loans approved on or after August 1, 2001 and establishes the Government as financier of the program. The Government approves applications for both provincial and federal loans. Disbursement, administration and collection of loans is contracted to external agencies.

Housing mortgages

Housing mortgages were provided pursuant to provisions of Section 15 of *The Saskatchewan Housing Corporation Act*. The mortgages are repayable, at various interest rates, over terms not exceeding thirty-five years. Security on the mortgages may include promissory notes or charges against residential property.

Cornwall Centre mortgages

The Government held two mortgages due jointly from Cadillac Fairview Corporation Limited and 1381052 ONTARIO INC. Both mortgages matured December 1, 2001.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 3 - Investment in Government Enterprises

		SaskEnergy Incorporated Dec. 31, 2001	Saskatchewan Power Corporation Dec. 31, 2001	Saskatchewan Telecom-munications Holding Corporation Dec. 31, 2001	Saskatchewan Liquor and Gaming Authority Mar. 31, 2002	Saskatchewan Gaming Corporation Mar. 31, 2002
Assets						
Cash and temporary investments						
Due from government organizations	$				32,348	
Other		(678)	202,730	42,026	2,999	16,781
Accounts receivable						
Due from government organizations						
Other		145,711	141,826	101,882	19,192	889
Inventories			104,501	10,177	14,300	177
Prepaid expenses		41,817	15,668	13,269	2,301	580
Long-term investments						
In the Province						
Other		12,832	14,155	79,199		
Capital assets		1,018,687	3,071,338	910,884	32,733	50,782
Other assets						
Due from government organizations			4,000			
Other		142,355	37,128	87,450	381	
Total Assets		**1,360,724**	**3,591,346**	**1,244,887**	**104,254**	**69,209**
Liabilities						
Accounts payable and accrued liabilities						
Due to government organizations		13,344	55,846	7,594		
Other		115,927	178,016	97,226	10,900	7,442
Dividends payable to government organizations			6,557	20,490	66,297	26,380
Debt						
Owing to government organizations		836,947	1,820,174	434,651		
Other		4,816	91,070	15,562		35,387
Unearned revenue						
Received from government organizations		2,375				
Other		94,815	299,971	27,791		
Unpaid insurance claims						
Other liabilities				446	24,438	
Total Liabilities		**1,068,224**	**2,451,634**	**603,760**	**101,635**	**69,209**
Net Assets (Liabilities)	$	**292,500**	**1,139,712**	**641,127**	**2,619**	-
Revenue						
Revenue from operations	$	590,027	1,114,268	811,885	645,376	69,667
Transfers from government organizations		12,053	17,422	31,576		
Total Revenue		**602,080**	**1,131,690**	**843,461**	**645,376**	**69,667**
Expenses						
Expenses from operations		540,291	871,918	686,763	327,990	43,287
Transfers to government organizations		77,166	230,620	55,202		
Total Expenses[3]		**617,457**	**1,102,538**	**741,965**	**327,990**	**43,287**
Income (loss) before non-recurring items		(15,377)	29,152	101,496	317,386	26,380
Non-recurring items						
Net Income (Loss)		**(15,377)**	**29,152**	**101,496**	**317,386**	**26,380**
Retained earnings (deficit) - beginning of year, as previously reported		236,346	587,813	406,626		
Restatement of prior years (note 15)			(121,220)	(25,648)	943	
Dividends to government organizations			(16,026)	(91,347)	(315,710)	(26,380)
Retained earnings (deficit) - end of year		220,969	479,719	391,127	2,619	-
Equity advances/share capital		71,531	659,993	250,000		
Net Assets (Deficiency)	$	**292,500**	**1,139,712**	**641,127**	**2,619**	-

See page 62 for additional information.

[1] Adjustments include:
- reclassifying dividends paid by March 31, 2002;
- reclassifying cross currency swaps of Saskatchewan Power Corporation; and
- reversing the loss recognized by Municipal Financing Corporation for a premium paid on an exchange of debt with the General Revenue Fund and amortizing this same loss over the term of the original debt issues.

[2] Net assets are restricted as disclosed in the narrative portion of this schedule on the pages following.

[3] Total expenses include debt charges, net of sinking fund earnings, of $290.7 million (2001 restated - $283.6 million), of which $249.0 million (2001 - $251.2 million) in interest was paid to government organizations.

(thousands of dollars)

Municipal Financing Corporation of Saskatchewan Dec. 31, 2001	Saskatchewan Government Insurance Dec. 31, 2001	Saskatchewan Auto Fund Dec. 31, 2001	Workers' Compensation Board (Saskatchewan)[2] Dec. 31, 2001	Saskatchewan Government Growth Fund Management Corporation Dec. 31, 2001	Adjustments [1]	Total 2002	Total 2001 (Restated)
						$ 32,348	$ 12,925
18,674	30,098	68,164	7,858	653	(27,596)	361,709	213,358
		6,473	8,959			15,432	4,473
1,146	55,508	77,285	23,267	2,129		568,835	577,802
	44,546	16,695				129,155	132,218
						134,876	71,536
	6,176	10,339	7,406			23,921	19,958
26,080	256,169	651,690	804,288	1,557		1,845,970	1,742,077
	13,381	41,276	19,438	6		5,158,525	4,930,650
						4,000	2,000
	4,601				(11,899)	260,016	203,309
45,900	**410,479**	**871,922**	**871,216**	**4,345**	**(39,495)**	**8,534,787**	7,910,306
1,171	11,739	23,271	7,799			120,764	117,489
18	13,326	18,259	19,949	239		461,302	498,957
	575				(27,596)	92,703	68,721
31,365					(22,944)	3,100,193	2,764,062
2,500						149,335	33,051
						2,375	2,323
	113,408	200,944				736,929	691,200
	172,924	627,479	700,463			1,500,866	1,343,440
	4,660		93,030			122,574	110,750
35,054	**316,632**	**869,953**	**821,241**	**239**	**(50,540)**	**6,287,041**	5,629,993
10,846	**93,847**	**1,969**	**49,975**	**4,106**	**11,045**	$ 2,247,746	$ 2,280,313
3,802	207,490	506,929	208,269	3,982		$ 4,161,695	$ 3,982,812
		3,282	11,461			75,794	76,399
3,802	**207,490**	**510,211**	**219,730**	**3,982**	-	4,237,489	4,059,211
328	188,832	468,734	267,752	6,719	948	3,403,562	3,005,815
5,967	8,475	22,637	7,799			407,866	398,084
6,295	**197,307**	**491,371**	**275,551**	**6,719**	**948**	3,811,428	3,403,899
(2,493)	10,183	18,840	(55,821)	(2,737)	(948)	426,061	655,312
						-	(12,926)
(2,493)	**10,183**	**18,840**	**(55,821)**	**(2,737)**	**(948)**	426,061	642,386
13,339	37,829	(16,871)	136,992	6,842	12,929	1,421,845	2,019,050
			(31,196)		(943)	(178,064)	(156,374)
	(9,165)					(458,628)	(1,261,281)
10,846	38,847	1,969	49,975	4,105	11,038	1,211,214	1,243,781
	55,000			1	7	1,036,532	1,036,532
10,846	**93,847**	**1,969**	**49,975**	**4,106**	**11,045**	$ 2,247,746	$ 2,280,313

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 3 (continued) - Investment in Government Enterprises

SaskEnergy Incorporated (SaskEnergy)

SaskEnergy promotes, transports, stores and distributes natural gas in Saskatchewan.

Saskatchewan Power Corporation (SaskPower)

SaskPower generates, purchases, transmits, distributes and sells electricity and related products and services.

Saskatchewan Telecommunications Holding Corporation (SaskTel)

SaskTel markets and supplies a range of voice, data, Internet, wireless, text and image products, systems and services. Through interconnection agreements, SaskTel is part of the national and global communications network.

Saskatchewan Liquor and Gaming Authority (SLGA)

SLGA's main functions are to control the manufacture and distribution of beverage alcohol throughout the Province, to oversee the licencing of all establishments selling alcohol in the Province and to maintain the integrity of all licenced gaming while ensuring maximum benefit to Saskatchewan charities.

Saskatchewan Gaming Corporation (SGC)

SGC's mandate is to manage and operate Casino Regina.

Municipal Financing Corporation of Saskatchewan (MFC)

MFC's objective is to assist municipalities in financing their capital requirements.

Saskatchewan Government Insurance (SGI) & Saskatchewan Auto Fund (Auto Fund)

SGI's competitive general insurance business, SGI CANADA, offers a comprehensive line of home, tenant, farm, automobile extension and commercial coverages.

The Auto Fund, the Province's compulsory vehicle insurance program, is administered by SGI on behalf of the Government. Any net assets of the Auto Fund are held on behalf of Saskatchewan's motoring public and are not used for the payment of dividends to the General Revenue Fund.

Workers' Compensation Board (Saskatchewan) (WCB)

WCB provides workers' compensation insurance to Saskatchewan workers and employers. Any net assets of the WCB cannot be used for the payment of dividends to the General Revenue Fund.

Saskatchewan Government Growth Fund Management Corporation (SGGF)

SGGF participates in the federal government's Immigrant Investor Program to acquire lower cost capital for commercial investment in Saskatchewan. Investment funds are raised through eight subsidiary fund companies and are managed by Crown Capital Partners Inc., a fund manager.

In March 1999, the Immigrant Investor Program ended. However, with a significant number of subscribers yet to complete their subscription requirements, the funds will require management by SGGF for at least the next six years.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 4 - Other Investments

(thousands of dollars)

	Partnership Interest / Voting Percentage	2002	2001 (Restated)
Equity Investments			
Government Business Partnerships			
Centennial Foods Partnership			
partnership interest	35.0%	$ 19,614	$ 19,939
NewGrade Energy Inc.			
100 (2001 - 100) Class Y participating common shares	50.0%	14,931	(4,804)
Foragen Technologies Limited Partnership			
partnership interest	33.3%	2,275	3,000
Meadow Lake Pulp Limited Partnership			
partnership interest	50.0%	(48,266)	(33,629)
Other Equity Investments			
Saskferco Products Inc.			
68,449,080 (2001 - 68,449,080) Class B common shares	49.0%	109,303	106,079
Other		40,463	32,088
		138,320	122,673
Portfolio Investments			
HARO Financial Corporation			
68,000,000 (2001 - 68,000,000) Class B non-voting common shares		68,000	68,000
Cameco Corporation			
0 (2001 - 5,423,123) common shares		-	114,898
Other		38,177	16,878
		106,177	199,776
Bonds, Debentures and Other Advances			
HARO Financial Corporation		171,141	162,666
Meadow Lake Pulp Limited Partnership		150,361	148,361
NewGrade Energy Inc.		8,490	21,679
Other		61,440	58,856
		391,432	391,562
Property Holdings		5,028	8,838
Total Other Investments		$ 640,957	$ 722,849

See pages 64-66 for additional information.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 4 (continued) - Other Investments

Centennial Foods Partnership (Centennial)

The Government, through its wholly-owned subsidiary CIC Foods Inc., owns a 35 per cent interest in Centennial.

NewGrade Energy Inc. (NewGrade)

The Government owns 50 per cent (2001 - 50 per cent) of the outstanding voting participating shares of NewGrade. The Government also holds certain promissory notes due on demand from NewGrade that bear interest at Bank of Montreal prime rate, which was 4.0 per cent at December 31, 2001 (2000 - 7.5 per cent).

In addition, should there be any operating shortfall at the end of any year, the Government will loan NewGrade up to $2.0 million, escalated by inflation, in the form of a Subordinated Operations Fee Amount after Consumers' Co-operative Refineries Limited (CCRL) has provided its $2.0 million Subordinated Operations Fee Amount. If these loans do not cover all cash shortfalls, then the Government will lend NewGrade up to $4.0 million as a Cash Flow Deficiency Loan on a pro-rata basis with CCRL. If this facility is exhausted, the Government will lend NewGrade the remainder to cover any other annual operating shortfalls. These loans bear interest at CCRL's rate of borrowing. CCRL's required Cash Flow Deficiency Loans cannot exceed $40.0 million outstanding at any time.

During 2001, the Government received $15.5 million from NewGrade in principal payments on promissory notes outstanding. Of this amount, $2.3 million represents recovery of loans previously allowed for.

Foragen Technologies Limited Partnership (Foragen)

The Government, through its wholly-owned subsidiary 101012875 Saskatchewan Ltd., owns a 33.3 per cent interest in Foragen. The Government has committed to providing $14.0 million in equity to Foragen over the five years ending 2005. At December 31, 2001, the Government had provided $3.0 million (2000 - $3.0 million) of this commitment.

Meadow Lake Pulp Limited Partnership (MLPLP)

The Government, through its wholly-owned subsidiary CIC Pulp Ltd., owns a 50 per cent (2001 - 50 per cent) interest in MLPLP.

In addition to its equity interest in MLPLP, the Government has also provided the following loans:

- Participating Debenture of $99.0 million (2001 - $99.0 million) bearing interest at 11.15 per cent (2001 - 11.15 per cent) calculated on October 31 of each year;
- Term Loan of $20.0 million (2001 - $20.0 million) bearing interest at prime plus 2.0 per cent, which was 6.0 per cent at December 31, 2001 (2001 - 9.5 per cent). Any interest outstanding and not paid on October 31 of each year is added to the principal balance;
- Contingency Loan of $10.9 million (2001 - $10.9 million) bearing interest at prime plus 1.0 per cent, which was 5.0 per cent at December 31, 2001 (2001 - 8.5 per cent). Any interest outstanding and not paid on October 31 of each year is added to the principal balance;
- Guarantee Advance of $10.0 million (2001 - $8.0 million) bearing interest at prime plus 1.0 per cent, which was 5.0 per cent at December 31, 2001 (2001 - 8.5 per cent). Any interest outstanding and not paid on October 31 of each year is added to the principal balance; and
- Cash Flow Loan of $10.5 million (2001 - $10.5 million) bearing interest at prime plus 1.0 per cent, which was 5.0 per cent at December 31, 2001 (2001 - 8.5 per cent). Any interest outstanding and not paid on October 31 of each year is added to the principal balance.

The Government records, as a separate loan (Interest Loan), the accrued interest receivable from the Participating Debenture. Interest on the Interest Loan, at 11.15 per cent, is calculated on October 31 of each year and is added to the principal balance outstanding on the loan. Interest income earned and forming part of the Interest Loan is recorded as deferred interest income due to the uncertainty of collection. The deferred interest income will be recorded as income when payments are received under the cash availability formula.

Any payments to be made on the Participating Debenture, the Contingency Loan and the Interest Loan are subject to available cash flows as defined in the loan agreements. Payments towards principal outstanding on the Term Loan are due in two equal instalments after MLPLP has fully repaid an external bank loan. The Participating Debenture, Term Loan, Contingency Loan and Interest Loan mature in 2014. The remaining balance outstanding on the Participating Debenture and Interest Loan on October 31, 2014 shall bear interest at a rate equal to the Government's short-term cost of borrowing, which at December 31, 2001 was 1.98 per cent (2000 - 5.63 per cent), until paid in full.

On June 14, 2001, MLPLP refinanced its long-term debt with other major lenders. As a part of the refinancing agreement, the Government provided a guarantee on MLPLP's long-term debt payments to the other lenders to a maximum of $80 million. During the year, the Government provided payments of $2 million under this guarantee.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 4 (continued) - Other Investments

The total deferred interest is $326.4 million (2000 - $275.5 million).

Due to the uncertainty of cash flows from MLPLP, the Government's Participating Debenture is shown net of a provision for loan losses of $60.0 million (2000 - $60.0 million).

Saskferco Products Inc. (Saskferco)

The Government holds a 49 per cent (2000 - 49 per cent) voting interest in Saskferco.

HARO Financial Corporation (HARO)

To December 31, 2001, the Government had advanced $273.0 million (2000 - $273.0 million) to HARO to finance its ownership interest in Crown Life Insurance Company (Crown Life). In 1995, the Government exercised its right to convert $68.0 million of these advances into 68,000,000 non-voting, fully participating equity shares of HARO.

The loan was for an initial five-year term with a maximum of four five-year renewal terms at the option of HARO. In 1998, the Government agreed to renew this loan for a second five-year term. Annual interest rates on the loan are fixed at the start of each renewal term. For the second five-year term, the interest rate on the loan is 6.64 per cent compounded annually.

Security for the loan is 100 per cent of HARO's assets, which as of December 31, 2001 consisted primarily of HARO's 64.5 per cent interest in Crown Life shares. In 1999, the Canada Life Assurance Company acquired most of the insurance operations of Crown Life. The remaining assets and operations will continue to be managed by Crown Life.

Payment of principal and interest is subject to available cash flow as defined in the loan agreement. Due to collection uncertainty, the Government will record interest income when payments are received.

All unpaid principal and interest is due on December 15, 2017. On that date, any amounts outstanding will convert to 100 per cent of HARO equity shares. The Government has a unilateral right, prior to December 15, 2017, to convert no less than 25 per cent of the loan to either HARO non-voting, HARO voting or Crown Life shares. Any conversion may be subject to regulatory approval.

Ownership of the 68,000,000 of HARO's Class B non-voting common shares entitles the Government to a maximum of 100 per cent of participation rights with respect to dividends and remaining property of HARO on its liquidation or dissolution. Subject to regulatory approval, the Government has a unilateral right to exchange at any time the Class B shares for voting shares or HARO's assets.

Cameco Corporation (Cameco)

On February 14, 2002, the Government sold its remaining 5,423,123 shares in Cameco for net proceeds of $226.4 million, generating a gain on sale of $111.5 million.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 4 (continued) - Other Investments

Investment in Government Business Partnerships

The Government has invested in government business partnerships to promote economic growth and provide an economic return. At March 31, 2002, the Government's investment in government business partnerships includes a 35 per cent share in Centennial Foods Partnership (Centennial), a 50 per cent share in NewGrade Energy Inc. (NewGrade), a 33.3 per cent share in Foragen Technologies Limited Partnership (Foragen) and a 50 per cent share in Meadow Lake Pulp Limited Partnership (MLPLP). Centennial is a value-added food manufacturing and food service distribution business that is expanding its processing operations into Saskatchewan; NewGrade operates a heavy oil upgrading plant in Regina; Foragen is a venture capital fund which will offer seed capital to technology corporations; and MLPLP operates a pulp mill near Meadow Lake. These investments are accounted for using the modified equity method. For 2000-01 only, due to limited activity during the year, Foragen was recorded at cost and is not included in the 2001 condensed financial information for government business partnerships.

(thousands of dollars)

	2002	2001
Condensed Financial Information for Government Business Partnerships:		
Assets		
Capital assets	$ 284,836	$ 303,993
Other assets	269,694	277,639
Total Assets	554,530	581,632
Liabilities		
Debt		
Owing to government organizations	550,506	515,076
Other	243,849	269,573
Other liabilities	114,206	113,647
Total Liabilities	908,561	898,296
Net Liabilities	$ (354,031)	$ (316,664)
Operating Results		
Revenue	$ 1,095,858	$ 1,236,862
Expenses	1,140,889	1,143,887
Net Operating Results	(45,031)	92,975
Net Operating Deficiency - beginning of year	(483,286)	(576,261)
Net Operating Deficiency - end of year	(528,317)	(483,286)
Equity advances/share capital (net of partnership distributions)	174,286	166,622
Net Deficiency	$ (354,031)	$ (316,664)
Investment in Government Business Partnerships:		
Government's share of Net Operating Deficiency - end of year	$ (263,631)	$ (241,617)
Government's investment [1]	90,051	88,927
Adjustments [2]	162,134	137,196
Total Investment in Government Business Partnerships [3]	$ (11,446)	$ (15,494)

[1] Government's investment includes the Government's initial investment net of partnership distributions as well as subsequent cash injections provided under various terms and conditions.

[2] Adjustments include:
- elimination of expenditures included in the Government's share of accumulated operating deficiency above and also consolidated as part of the operations of government service organizations; and
- recording additional operating expenditures incurred by the Government's subsidiaries through which the Government has made these investments.

[3] Total investment in government business partnerships includes:

Centennial Foods Partnership	$ 19,614	$ 19,939
NewGrade Energy Inc.	14,931	(4,804)
Foragen Technologies Limited Partnership	2,275	3,000
Meadow Lake Pulp Limited Partnership	(48,266)	(33,629)
	$ (11,446)	$ (15,494)

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 5 - Accounts Payable and Accrued Liabilities

(thousands of dollars)

	2002	2001
Transfers	$ 218,240	$ 268,134
Accrued employee benefits	207,444	161,359
Supplier payments	201,440	194,568
Accrued interest	165,456	189,662
Transfers to the federal government	101,942	107,546
Public employee benefit plans claims payable	67,922	62,830
Capital lease obligations (note 13)	47,790	47,561
Other	75,291	125,024
Total Accounts Payable and Accrued Liabilities	$ 1,085,525	$ 1,156,684

Schedule 6 - Other Liabilities

(thousands of dollars)

	2002	2001
Funds held on behalf of government enterprises and others		
Saskatchewan Liquor and Gaming Authority	$ 32,348	$ 12,925
Millenium Scholarship Trust Fund	9,781	-
Queen's Bench Court Accounts	8,335	9,614
Public Employees' Pension Plan	6,279	5,714
Teachers' Superannuation Commission	3,876	4,171
Others	22,141	21,078
	82,760	53,502
Other	16,289	6,902
Total Other Liabilities	$ 99,049	$ 60,404

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 7 - Public Debt

(thousands of dollars)

	2002			2001
	Gross Public Debt	Less Sinking Funds [3]	Public Debt	Public Debt
Government Service Organizations				
General Revenue Fund [1]	$ 8,165,903	$ 604,004	$ 7,561,899	$ 7,405,479
Saskatchewan Opportunities Corporation	165,201	2,798	162,403	150,252
Saskatchewan Housing Corporation	156,992	1,603	155,389	173,841
District Health Boards	123,241	-	123,241	124,622
Information Services Corporation of Saskatchewan	54,336	-	54,336	30,246
Agricultural Credit Corporation of Saskatchewan	39,351	-	39,351	59,835
Saskatchewan Water Corporation	42,242	3,294	38,948	38,603
Crown Investments Corporation of Saskatchewan (non-consolidated)	175,027	155,017	20,010	43,203
Other	12,113	-	12,113	6,476
Debt of Government Service Organizations	8,934,406	766,716	8,167,690	8,032,557
Government Enterprises				
Saskatchewan Power Corporation	1,985,934	97,634	1,888,300	1,583,501
SaskEnergy Incorporated	857,194	15,431	841,763	717,493
Saskatchewan Telecommunications Holding Corporation	478,934	28,721	450,213	413,951
Saskatchewan Gaming Corporation	35,387	-	35,387	20,093
Municipal Financing Corporation of Saskatchewan	33,865	-	33,865	62,075
	3,391,314	141,786	3,249,528	2,797,113
Adjustments to March 31	33,639	8,415	25,224	245,808
Debt of Government Enterprises [2]	3,424,953	150,201	3,274,752	3,042,921
Total Public Debt [4]	$ 12,359,359	$ 916,917	$ 11,442,442	$ 11,075,478

Debt repayable in foreign currency has been restated in Canadian dollar equivalents.

[1] General Revenue Fund debt is shown net of $3,149.3 million (2001 - $3,010.7 million) reimbursable from government enterprises and $458.9 million (2001 - $468.3 million) reimbursable from government service organizations.

[2] The debt of government enterprises is as presented in their audited financial statements closest to March 31, 2002, as disclosed on schedule 3. The balance is adjusted for the net change to March 31, 2002.

[3] See schedule 8 for information on sinking funds.

[4] See schedule 9 for information on public debt by maturity.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 8 - Sinking Funds

(thousands of dollars)

	2001	2002				
	Sinking Funds	Contributions	Earnings	Less Redemptions	Currency Adjustment	Sinking Funds
Government Service Organizations						
General Revenue Fund	$ 507,276	$ 58,677	$ 35,216	$ -	$ 2,835	$ 604,004
Crown Investments Corporation of Saskatchewan (non-consolidated)	232,992	5,000	10,850	93,825	-	155,017
Saskatchewan Water Corporation	2,832	302	160	-	-	3,294
Saskatchewan Opportunities Corporation	1,813	850	135	-	-	2,798
Saskatchewan Housing Corporation	949	585	69	-	-	1,603
Agricultural Credit Corporation of Saskatchewan	7,116	-	181	7,297	-	-
Sinking Funds of Government Service Organizations	752,978	65,414	46,611	101,122	2,835	766,716
Government Enterprises						
Saskatchewan Power Corporation	77,217	9,865	7,461	-	3,091	97,634
Saskatchewan Telecommunications Holding Corporation	31,856	3,432	2,589	10,528	1,372	28,721
SaskEnergy Incorporated	54,443	5,670	1,239	45,921	-	15,431
	163,516	18,967	11,289	56,449	4,463	141,786
Adjustments to March 31	(39,870)	(2,340)	(2,358)	(56,449)	(3,466)	8,415
Sinking Funds of Government Enterprises	123,646	16,627	8,931	-	997	150,201
Total Sinking Funds	$ 876,624	$ 82,041	$ 55,542	$ 101,122	$ 3,832	$ 916,917

The market value of sinking funds, at March 31, 2002, is $912.3 million (2001 - $890.3 million).

Sinking fund earnings include gains on investment sales of $4.4 million (2001 - $7.5 million).

Annual contributions, when established by Order in Council, are set at not less than 1 per cent of debentures outstanding. The redemption value is based on the market value of the sinking fund units at the date of redemption.

The aggregate amount of contributions estimated to be required in each of the next five fiscal years to meet sinking fund requirements are:

(thousands of dollars)

	Government Service Organizations	Government Enterprises	Total
2002-03	$ 63,796	$ 19,277	$ 83,073
2003-04	63,796	19,277	83,073
2004-05	60,906	18,480	79,386
2005-06	51,380	18,382	69,762
2006-07	49,198	17,564	66,762
	$ 289,076	$ 92,980	$ 382,056

Sinking fund assets have been invested as follows:

(thousands of dollars)

	2002	2001
Long-term Investments		
Governmentof Saskatchewan securities; coupon interest range 4.8% to 10.3%; maturing in 1.3 to 29.4 years	$ 312,711	$ 370,036
Other provincial governments' securities; coupon interest range 5.3% to 10.5%; maturing in 4.0 to 37.3 years	275,749	275,634
Government of Canada securities; coupon interest range 5.0% to 7.3%; maturing in 1.5 to 27.2 years	226,235	43,291
Government of the United States securities; coupon interest range 3.5% to 8.9%; maturing in 4.6 to 28.9 years	47,628	17,558
Other long-term investments	-	12,951
Cash, short-term investments and accrued interest	54,594	157,154
Total Sinking Funds	$ 916,917	$ 876,624

Short-term investments include $0 (2001 - $135.7 million) Government of Saskatchewan securities.

Cash, short-term investments and accrued interest are disclosed net of $2.0 million (2001 - $7.9 million) in liabilities.

Included are U.S. dollar cash, investments and accrued interest converted to $337.6 million Canadian (2001 - $289.6 million) at the exchange rate in effect at March 31, 2002 of 1.5935 (2001 - 1.5774).

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 9 - Public Debt by Maturity

(thousands of dollars)

Year of Maturity	2002 Canadian Dollar Debt	2002 U.S. Dollar Debt (CDN $)	2002 Total (CDN $)	2002 Average Coupon Rate	2001 Total (CDN$)	2001 Average Coupon Rate
Government Service Organizations						
Short-term promissory notes	$ 232,400	$ -	$ 232,400	2.26%	$ 392,100	5.01%
2001-02	-	-	-	-	791,515	8.42%
2002-03	412,801	-	412,801	9.64%	385,870	9.96%
2003-04	370,998	-	370,998	7.42%	374,010	7.41%
2004-05	1,120,811	-	1,120,811	8.51%	1,126,578	8.49%
2005-06	768,842	-	768,842	6.20%	721,859	6.30%
2006-07	1,130,294	-	1,130,294	5.85%	-	-
1-5 years	4,036,146	-	4,036,146		3,791,932	
6-10 years	2,049,891	-	2,049,891	6.90%	2,248,415	6.97%
11-15 years	989,124	677,238	1,666,362	8.66%	1,753,230	8.74%
16-20 years	104,607	478,050	582,657	8.79%	569,218	8.74%
21-25 years	-	159,350	159,350	8.50%	172,740	8.60%
Thereafter	440,000	-	440,000	6.03%	250,000	5.75%
	7,619,768	1,314,638	8,934,406		8,785,535	
Less: Sinking funds	(519,047)	(247,669)	(766,716)		(752,978)	
Debt of Government Service Organizations	7,100,721	1,066,969	8,167,690		8,032,557	
Government Enterprises						
Short-term promissory notes	169,600	-	169,600	2.26%	241,000	5.01%
2001-02	-	-	-	-	43,579	13.39%
2002-03	22,042	-	22,042	12.51%	16,529	13.36%
2003-04	159,430	12,748	172,178	9.38%	176,150	9.35%
2004-05	210,607	-	210,607	11.45%	205,878	11.52%
2005-06	194,830	-	194,830	9.82%	189,259	9.88%
2006-07	131,777	-	131,777	9.51%	-	-
1-5 years	888,286	12,748	901,034		872,395	
6-10 years	618,821	197,594	816,415	7.72%	918,430	7.96%
11-15 years	29,811	119,512	149,323	7.36%	129,800	7.54%
16-20 years	299,817	318,700	618,517	9.23%	350,646	9.10%
21-25 years	196,148	318,700	514,848	8.55%	730,480	8.92%
Thereafter	424,816	-	424,816	6.23%	164,816	5.70%
	2,457,699	967,254	3,424,953		3,166,567	
Less: Sinking funds	(60,287)	(89,914)	(150,201)		(123,646)	
Debt of Government Enterprises	2,397,412	877,340	3,274,752		3,042,921	
Total Public Debt	$ 9,498,133	$ 1,944,309	$ 11,442,442		$ 11,075,478	

See page 71 for additional information.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 9 (continued) - Public Debt by Maturity

The average effective interest rate paid on total public debt during 2001-02 was 7.96 per cent (2000-01 restated - 8.92 per cent). The average term to maturity of total public debt outstanding at March 31, 2002 is 9.2 years (2001 - 8.9 years). The average effective interest rate includes the impact of foreign exchange and the amortization of any premiums or discounts associated with the debentures.

Total public debt includes Canada Pension Plan debentures of $1,219.6 million (2001 - $1,329.3 million) that are redeemable in whole or in part before maturity, on six months prior notice, at the option of the Minister of Finance of Canada. These debentures are callable in whole or in part before maturity, on 30 days prior notice, at the option of the Minister of Finance of Saskatchewan.

Total public debt includes $390.0 million (2001 - $310.0 million) that provide the holder with a choice of dates on which the debt matures. The year of maturity in the previous table reflects the earliest possible date of maturity rather than the maximum term to maturity.

Sensitivity of Debt Charges

U.S. dollar debentures have been converted to Canadian dollars at the exchange rate in effect at March 31, 2002 of 1.5935 (2001 - 1.5774). A one cent change in the value of the U.S. dollar compared to the Canadian dollar from the March 31, 2002 level would change debt charges by $3.2 million in 2002-03.

Debt of government service organizations includes floating rate debt of $1,632.6 million (2001 - $1,950.7 million). Floating rate debt is defined as the sum of floating rate debentures, short-term promissory notes, fixed rate debt maturing within one year and Saskatchewan Savings Bonds. A one percentage point increase in interest rates would result in an increase in debt charges of $16.3 million in 2002-03.

Derivative Financial Instruments

Cross Currency Swaps

Included in total public debt are the following foreign-denominated debt issues that have been hedged to Canadian dollars using cross currency swaps:

- debentures totalling 22.5 billion yen (2001 - 22.5 billion) fully hedged to $259.2 million Canadian (2001 - $259.2 million);
- debentures totalling $862.0 million U.S. (2001 restated - $862.0 million) fully hedged to $1,192.4 million Canadian (2001 restated - $1,192.4 million);
- debentures totalling 102.3 million euros (2001 - 102.3 million) fully hedged to $154.1 million Canadian (2001 - $154.1 million); and
- debentures totalling 0 Swiss francs (2001 - 200.0 million) fully hedged to $0 Canadian (2001 - $145.4 million).

In total, the Government has cross currency swaps on a notional value of $2,089.8 million (2001 - $2,235.2 million) of debt.

The Government also has future interest obligations totalling $12.5 million U.S. (2001 - $35.3 million) hedged to $17.6 million Canadian (2001 - $49.9 million).

Interest Rate Swaps and Forward Rate Agreements

The Government has interest rate swaps on a notional value of debt of $1,197.2 million (2001 - $997.2 million) and forward rate agreements on a notional value of debt of $125.0 million (2001 - $0).

Foreign Currency Forward Exchange Contracts

The Government has forward purchase commitments to acquire, during 2002-03, $3.0 million U.S. (2001 - $0) at a cost of $4.8 million Canadian (2001 - $0).

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 10 - Guaranteed Debt

(thousands of dollars)

	2002	2001
The Industry and Commerce Development Act		
Saskferco Products Inc.	$ 115,171	$ 142,797
The NewGrade Energy Inc. Act		
NewGrade Energy Inc.	78,093	93,038
Crown Investments Corporation of Saskatchewan (non-consolidated)		
NewGrade Energy Inc.	59,654	71,021
The Power Corporation Act		
Luscar Ltd.	23,465	25,105
National Trust Company	10,003	12,007
The Farm Financial Stability Act		
Breeder associations	16,224	15,970
Feeder associations	11,839	15,560
Other	8,602	11,173
Total Guaranteed Debt	$ 323,051	$ 386,671

Total guaranteed debt is net of a loss provision of $1.8 million (2001 - $2.2 million).

In addition to the amount shown, there is a contingent liability for interest accrued on these items.

See page 73 for additional information.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 10 (continued) - Guaranteed Debt

Saskferco Products Inc. (Saskferco)

The Government has guaranteed certain medium-term notes issued by Saskferco to finance the construction of a nitrogen based fertilizer plant located near Belle Plaine.

This guarantee pertains to debt denominated in U.S. dollars. Thus, the amount of the guarantee is influenced by changes in the value of the U.S. dollar relative to the Canadian dollar. This note is due in 2003. The amount recorded is net of $120.7 million (2001 - $119.1 million) for Saskferco's equity in a sinking fund.

NewGrade Energy Inc. (NewGrade)

The Government has guaranteed certain long-term debt of NewGrade to a maximum of $360 million. A significant portion of this guarantee relates to U.S. denominated debt. Thus, the amount of the guarantee is influenced by changes in the value of the U.S. dollar relative to the Canadian dollar. At March 31, 2002, the Government's guarantee is $78.1 million (2001 - $93.0 million).

The Government has also indemnified the Government of Canada for its guarantee of NewGrade's long-term debt, to a maximum of $275 million. At March 31, 2002, the Government's guarantee is $59.7 million (2001 - $71.0 million).

Luscar Ltd.

The Government has guaranteed a $45 million promissory note issued by Luscar Ltd. to finance the purchase of a dragline from Saskatchewan Power Corporation. The note is due in 2003. The amount recorded is net of $21.5 million (2001 - $19.9 million) for Luscar Ltd's equity in a sinking fund administered by the Minister of Finance.

National Trust Company

The Government is contingently liable for payments on certain leased mining equipment, which was assumed by the purchaser of a mining operation. The lease expires in 2004.

Breeder and Feeder Associations

The Government provides guarantees to lenders who make loans to production associations. The Government guarantees repayment of 25 per cent of the outstanding loan balance at the time of a first default on any advance, plus accrued interest as of the time that payment is to be made on the guarantee. Guarantees for each cattle or bison association are limited to $5 million under both the breeder and feeder options. Guarantees for each sheep association are limited to $4 million under both the breeder and feeder options.

Other

Other includes guarantees under $10 million.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 11 - Revenue

(thousands of dollars)

	2002	2001
Taxation		
Individual income	$ 1,196,410	$ 1,255,409
Sales	770,984	736,563
Corporation capital	363,204	342,242
Fuel	353,765	345,136
Corporation income	145,338	333,299
Tobacco	120,049	122,012
Other	73,578	68,595
Total Taxation	3,023,328	3,203,256
Non-renewable Resources		
Oil	555,337	799,049
Potash	179,658	199,296
Natural gas	129,067	239,305
Other	38,982	55,064
Total Non-renewable Resources	903,044	1,292,714
Other Own-source Revenue		
Fees, permits and licences	542,858	484,321
Interest and dividends	91,966	114,223
Equity investments	9,043	73,493
Insurance	82,682	69,635
Gain on sale of investments	111,517	-
Other	232,081	182,071
Total Other Own-source Revenue	1,070,147	923,743
Total Own-source Revenue	4,996,519	5,419,713
Transfers from the Federal Government		
Canada Health and Social Transfer	608,908	552,378
Equalization	492,017	175,247
Crop insurance premium contributions	79,208	78,925
Housing subsidy	52,854	55,126
Other	284,893	167,147
Total Transfers from the Federal Government	1,517,880	1,028,823
Total Revenue	$ 6,514,399	$ 6,448,536

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 12 - Gains and Losses on Other Investments

(thousands of dollars)

	2002	2001
Gain (Loss) on Sale of Other Investments		
Cameco Corporation	$ 111,517	$ -
Gain on Sale of Other Investments	111,517	-
Earnings (Losses) from Equity Investments		
NewGrade Energy Inc.	19,735	51,809
Saskferco Products Inc.	3,225	3,065
Foragen Technologies Limited Partnership	(725)	-
Centennial Foods Partnership	(337)	(61)
Meadow Lake Pulp Limited Partnership	(15,009)	17,712
Other	2,154	968
Net Earnings from Equity Investments	9,043	73,493
Provision for Investment Losses	(6,164)	(3,543)
Gain on Other Investments	$ 114,396	$ 69,950

Schedule 13 - Net Change in Non-cash Operating Activities

(thousands of dollars)

	2002	2001
Decrease (increase) in prepaid expenditures	$ (3,741)	$ (7,409)
Decrease (increase) in accounts receivable	(47,166)	141,273
Decrease (increase) in inventories held for resale	53	(858)
Decrease (increase) in deferred charges	7,419	(23,467)
Increase (decrease) in accounts payable and accrued liabilities	(71,159)	(292,925)
Increase (decrease) in unearned revenue	17,297	19,882
Net Change in Non-cash Operating Activities	$ (97,297)	$ (163,504)

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 14 - Reporting Entity

Government Service Organizations (Consolidated)

Agricultural Credit Corporation of Saskatchewan
Agricultural Implements Board
Agri-Food Equity Fund
Agri-Food Innovation Fund
Board of Governors, Uranium City Hospital
Cattle Marketing Deductions Fund
CIC Industrial Interests Inc. [4c]
Commercial Revolving Fund
Community Initiatives Fund [2]
Correctional Facilities Industries Revolving Fund
Correspondence School Revolving Fund
Crop Reinsurance Fund of Saskatchewan
Crown Investments Corporation of Saskatchewan (non-consolidated) [4c]
District Health Boards
Extended Health Care Plan [4c]
Extended Health Care Plan for Certain Other Employees [4c]
Fiscal Stabilization Fund
Fish and Wildlife Development Fund
Forest Fire Contingency Fund [1]
General Revenue Fund
Government House Foundation [1]
Health Services Utilization and Research Commission
Highways Revolving Fund
Horned Cattle Fund
Information Services Corporation of Saskatchewan [4c]
Law Reform Commission of Saskatchewan
Learning Resources Distribution Centre Revolving Fund
Livestock Services Revolving Fund
Milk Control Board [4c]
Northern Revenue Sharing Trust Account [4c]
Oil and Gas Environmental Fund
Operator Certification Board
Pastures Revolving Fund
Prairie Agricultural Machinery Institute
Public Employees Benefits Agency Revolving Fund
Public Employees Dental Fund [4c]
Public Employees Disability Income Fund [4c]
Public Employees Group Life Insurance Fund [4c]
Queen's Printer Revolving Fund
Regional Colleges [3] [4a]
Resource Protection and Development Revolving Fund
Saskatchewan Agricultural Stabilization Fund
Saskatchewan Apprenticeship and Trade Certification Commission [4a]
Saskatchewan Archives Board
Saskatchewan Arts Board
Saskatchewan Cancer Foundation
Saskatchewan Centre of the Arts Fund
Saskatchewan Communications Network Corporation
Saskatchewan Crop Insurance Corporation
Saskatchewan Development Fund Corporation [4c]
Saskatchewan Grain Car Corporation [4b]
Saskatchewan Health Information Network
Saskatchewan Heritage Foundation
Saskatchewan Housing Corporation [4c]
Saskatchewan Institute of Applied Science and Technology [4a]
Saskatchewan Legal Aid Commission
Saskatchewan Lotteries Trust Fund For Sport, Culture and Recreation
Saskatchewan Opportunities Corporation [4c]
Saskatchewan Property Management Corporation
Saskatchewan Research Council
Saskatchewan Student Aid Fund
Saskatchewan Transportation Company [4c]
Saskatchewan Water Corporation [4c]
Saskatchewan Western Development Museum
Saskatchewan Wetland Conservation Corporation
Sask911 Account
St. Louis Alcoholism Rehabilitation Centre
Training Completions Fund
Transportation Partnerships Fund
Victims' Fund
Water Appeal Board

Government Enterprises (Modified Equity Method)

Municipal Financing Corporation of Saskatchewan
Saskatchewan Auto Fund
Saskatchewan Gaming Corporation
Saskatchewan Government Growth Fund Management Corporation
Saskatchewan Government Insurance
Saskatchewan Liquor and Gaming Authority
Saskatchewan Power Corporation
Saskatchewan Telecommunications Holding Corporation
SaskEnergy Incorporated
Workers' Compensation Board (Saskatchewan)

[1] Organization established during 2001-02.
[2] Name changed from Associated Entities Fund during 2001-02.
[3] Includes eight colleges that were listed separately in previous years.
[4] The year-ends of certain government service organizations differ from March 31, 2002: [a] June 2001; [b] July 2001; and [c] December 2001.

General Revenue Fund - Details of Debentures (unaudited)

General Revenue Fund
Public Issue Debentures
As at March 31, 2002

Date of Issue	Date of Maturity	Interest Rate %	Interest Payments	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution 2001-02
July 15/97	July15/02	4.00	Annual	Can.	GRF.....	28,347,300	28,347,300	---	---
(Savings bond; Redeemable annually at the option of the holder or any time on the death of the holder; The Province reserves the right to increase the interest rate after July 14, 1998; Payable at any Saskatchewan branch of a chartered bank, trust company and the Credit Union Central of Saskatchewan)									
July 29/92	July 29/02	8.75	Semiannual	Can.	GRF.....	47,700,000	47,700,000	---	---
(The original 6.04% 5,000,000,000 Japanese Yen loan has been converted by forward contract to Canadian dollars resulting in an all-in-cost of 8.75%; Non-callable; Payable in Tokyo)									
Sept. 30/92	Sept. 30/02	8.21	Semiannual	Can.	GRF.....	49,613,664	49,613,664	---	---
(The original 6% 5,000,000,000 Japanese Yen loan has been converted by forward contract to Canadian dollars resulting in an all-in-cost of 8.21%; Non-callable; Payable in Tokyo)									
Feb. 12/93	Feb. 12/03	9.055	Semiannual	Can.	CIC.....	154,107,820	154,107,820	149,915,442	---
(The original 102,258,400 Euro issue carried interest at 11% paid annually for two years and a floating interest rate paid semi-annually for the remaining term of the debentures; Principal and interest payments have been converted by forward contract to Canadian dollars with an all-in-cost of 9.055%; Non-callable; Payable in Frankfurt/Main, Zurich, London, Luxembourg)									
July 20/93	July 15/03	6.625	Semiannual	U.S.	GRF.....	191,850,000		24,105,811	2,268,600
					SaskPower....	50,000,000 *	241,850,000	5,614,855 *	756,200 **
(The General Revenue Fund $150,000,000 U.S. share of this debenture issue has been swapped into Canadian dollars with an effective interest rate of 8.32%; Non-callable; Payable in New York)									
July 15/98	July 15/03	5.00	Annual	Can.	GRF.....	73,382,700	73,382,700	---	---
(Savings bond; Redeemable annually at the option of the holder or any time on the death of the holder; The Province reserves the right to increase the interest rate after July 14, 1999; Payable at any Saskatchewan branch of a chartered bank, trust company and the Credit Union Central of Saskatchewan)									
Aug. 31/93	Aug. 31/03	8.20	Semiannual	Can.	GRF.....	31,040,865	31,040,865	---	---
(The original 5.2% 2,500,000,000 Japanese Yen loan has been swapped into Canadian dollars with an effective interest rate of 8.2%; Non-callable; Payable in Tokyo)									
March 1/01	March 1/04	5.00-6.80	Semiannual	Can.	GRF.....	50,000,000	50,000,000	502,305	500,000
(Canadian medium term note; If not redeemed by the holder on March 1, 2004, this note matures on March 1, 2011; This note pays interest of 5% to March 1, 2004 and 6.8% thereafter; This book-based note is held in the Canadian Depository for Securities)									
May 10/94	May 10/04	8.82	Semiannual	Can.	GRF.....	67,116,600	67,116,600	---	---
(The original 4.48% 5,000,000,000 Japanese Yen loan has been swapped into Canadian dollars with an effective interest rate of 8.82%; Non-callable; Payable in Tokyo)									

General Revenue Fund
Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Interest Payments	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution 2001-02
June 22/99	June 17/04	5.50-5.75	Semiannual	Can.	SOCO	25,000,000	25,000,000	---	---
(Canadian medium term note; If not redeemed by the holder on June 17, 2004, this note matures on June 17, 2019; This note pays interest of 5.50% to June 17, 2004 and 5.75% thereafter; This book-based note is held in the Canadian Depository for Securities)									
July 15/99	July 15/04	5.00	Annual	Can.	GRF	144,103,100	144,103,100	---	---
(Savings bond; Redeemable annually at the option of the holder or any time on the death of the holder; The Province reserves the right to increase the interest rate after July 14, 2000; Payable at any Saskatchewan branch of a chartered bank, trust company and the Credit Union Central of Saskatchewan)									
July 26/94	July 15/04	Var.	Semiannual	Can.	GRF	553,094,588	553,094,588	53,418,684	6,049,600
(The original 8% $400,000,000 U.S. debentures have been swapped into Canadian dollars: $200,000,000 at 9.83%, $127,587,285 at 4.98% and $72,412,715 at 4.982%; Payable in New York)									
Aug. 16/94	Aug. 16/04	9.50	Semiannual	Can.	GRF	300,000,000	300,000,000	27,919,241	3,000,000
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Dec. 30/86	Dec. 30/04	9.625	Semiannual	Can.	SaskPower	89,300,000			
					SaskEnergy	10,700,000	100,000,000	---	---
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Feb. 17/00	Jan. 25/05	6.10-6.25	Semiannual	Can.	SOCO	25,000,000	25,000,000	522,025	250,000
(Canadian medium term note; If not redeemed by the holder on January 25, 2005, this note matures on January 25, 2030; This note pays interest at 6.10% to January 25, 2005 and 6.25% thereafter; This book-based note is held in the Canadian Depository for Securities)									
Jan. 16/02	April 1/05	4.205	Semiannual	Can.	GRF	50,000,000	50,000,000	---	---
(The original floating rate debt pays interest at the three month bankers' acceptance rate plus 0.09%. This has been swapped into a fixed rate obligation paying 4.205%; This book-based note is held in the Canadian Depository for Securities)									
July 15/00	July 15/05	5.75	Annual	Can.	GRF	486,944,700	486,944,700	---	---
(Savings Bond; Redeemable annually at the option of the holder or any time on the death of the holder; The Province reserves the right to increase the interest rate after July 14, 2001; Payable at any Saskatchewan branch of a chartered bank, trust company and the Credit Union Central of Saskatchewan)									
Dec. 19/95	Dec. 19/05	7.50	Semiannual	Can.	GRF	218,200,000			
					SaskWater	6,800,000			
					SaskEnergy	75,000,000	300,000,000	22,511,598	3,084,000
(Non-callable; This book-based note is held in the Canadian Depository for Securities)									

General Revenue Fund
Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Interest Payments	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution 2001-02
March 24/99	March 5/06	5.00-5.60	Semiannual	Can	SaskTel	35,000,000			
					SaskEnergy	25,000,000	60,000,000	---	---
(Canadian medium term note. If not redeemed by the holder on March 5, 2006, this note matures on March 5, 2029. This note pays interest at 5% to March 5, 2006 and 5.6% thereafter. This book-based note is held in the Canadian Depository for Securities)									
Oct. 27/00	June 1/06	6.00	Semiannual	Can.	GRF	240,000,000			
					SOCO	10,000,000	250,000,000	---	---
(Non-callable. This book-based note is held in the Canadian Depository for Securities)									
July 15/01	July 15/06	4.25	Annual	Can.	GRF	49,305,700	49,305,700	---	---
(Savings Bond. Redeemable annually at the option of the holder or any time on the death of the holder. The Province reserves the right to increase the interest rate after July 14, 2002. Payable at any Saskatchewan branch of a chartered bank, trust company and the Credit Union Central of Saskatchewan)									
Aug. 23/96	Aug. 23/06	7.846	Semiannual	Can.	GRF	63,684,000	63,684,000	---	---
(The original 3.451% 5,000,000,000 Japanese Yen loan has been converted by forward contract to Canadian dollars resulting in an all-in-cost of 7.846%. Non-callable. Payable in Tokyo)									
Nov. 1/01	Dec. 1/06	4.75	Semiannual	Can.	GRF	260,000,000			
					SOCO	10,000,000			
					ISC	30,000,000	300,000,000	---	---
(Non-callable. This book-based note is held in the Canadian Depository for Securities)									
Jan. 25/00	Jan. 25/07	6.35	Semiannual	Can.	GRF	30,000,000	30,000,000	626,430	300,000
(Canadian medium term note. Extendible at the option of the holder to January 25, 2030. This book-based note is held in the Canadian Depository for Securities)									
Jan. 25/00	Jan. 25/07	5.49-6.35	Semiannual	Can.	GRF	170,000,000	170,000,000	3,010,165	1,700,000
(Canadian medium term note. Extendible at the option of the holder to January 25, 2030. The original note paid interest at 6.20% to January 25, 2007, and 6.35% thereafter. This has been swapped into an obligation paying 5.49% to January 25, 2007, and 6.35% thereafter. This issue was reopened on January 17, 2002 and an additional $50,000,000 of notes were sold. This book-based note is held in the Canadian Depository for Securities)									
March 9/00	March 9/07	6.25	Semiannual	Can.	GRF	250,000,000	250,000,000	---	---
(Non-callable. This book-based note is held in the Canadian Depository for Securities)									
May 15/97	May 15/07	6.65	Semiannual	Can.	SaskEnergy	30,000,000	30,000,000	1,403,441	300,000
(Canadian medium term note. Non-callable. This book-based note is held in the Canadian Depository for Securities)									

General Revenue Fund
Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Interest Payments	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution 2001-02
Jan. 31/02	Sept. 6/07	5.00	Semiannual	Can.	GRF	400,000,000	400,000,000	---	---
(Non-callable; $200,000,000 of the 5.00% debenture issue has been swapped to floating rate debt to pay interest at the three month bankers' acceptance rate plus 0.025%. This book-based note is held in the Canadian Depository for Securities)									
March 2/83	March 1/08	9.00	Annual	Can.	SaskEnergy	50,000,000	50,000,000	---	---
(Non-callable; Payable in London and Toronto)									
March 15/93	March 15/08	7.125	Semiannual	U.S.	SaskPower	194,000,000	194,000,000 *	24,738,874 *	3,094,688 **
(Non-callable; Payable in New York)									
Nov. 28/97	May 28/08	5.50	Semiannual	Can.	SOCO	20,000,000	20,000,000	935,627	200,000
(Canadian medium term note; Non-callable; This book-based note is held in the Canadian Depository for Securities)									
Feb. 26/98	June 2/08	5.50	Semiannual	Can.	GRF	328,500,000			
					SOCO	40,000,000			
					SaskEnergy	25,000,000			
					Sask Housing	6,500,000	400,000,000	13,398,781	4,000,000
(Non-callable; This book-based note is held in the Canadian Depository for Securities)									
Feb. 13/02	Feb. 13/09	5.05	Semiannual	Can.	Sask Housing	24,500,000			
					SPMC	5,500,000	30,000,000	---	---
(Canadian medium term note; Extendible at the option of the holder to February 13, 2032; This note pays interest at 5.05% to February 13, 2009 and 6.30% thereafter; This book-based note is held in the Canadian Depository for Securities)									
Nov. 12/99	Nov. 12/09	6.50	Semiannual	Can.	GRF	250,000,000	250,000,000	5,276,200	2,500,000
(Non-callable; This book-based note is held in the Canadian Depository for Securities)									
Jan. 18/90	Jan. 18/10	10.00	Semiannual	Can.	GRF	300,000,000	300,000,000	60,447,837	3,000,000
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Sept. 1/00	Sept. 1/10	6.15	Semiannual	Can.	GRF	380,000,000			
					SaskTel	90,000,000			
					SaskEnergy	80,000,000	550,000,000	5,689,331	5,500,000
(Non-callable; This book-based note is held in the Canadian Depository for Securities)									
Feb. 2/93	Feb. 1/13	8.00	Semiannual	U.S.	GRF (Can$)	292,060,000		12,802,960	6,362,800
					GRF	200,000,000 *	492,060,000	41,408,182 *	---
(Non-callable; $200,000,000 of the U.S. $400,000,000 debenture issue has been swapped to Canadian dollars with an effective interest rate of 7.25%; Payable in New York)									
July 20/93	July 15/13	7.375	Semiannual	U.S.	GRF	225,000,000			
					SaskPower	75,000,000	300,000,000 *	33,689,130 *	4,580,425 **
(Non-callable; Payable in New York)									
March 14/91	April 10/14	10.2	Semiannual	Can.	GRF	583,916,000	583,916,000	93,773,475	5,839,160
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									

General Revenue Fund
Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Interest Payments	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution 2001-02
Dec. 1/65	Dec. 1/15	5.125	Semiannual	Can.	GRF	1,182,489			
					U. of S.	330,887	1,513,376	---	---
(Payable in blended semi-annual payments of principal and interest totalling $76,399.60; Payable in whole or in part any time prior to December 1, 2015, without penalty; Payable in Ottawa)									
Sept. 17/96	Sept. 17/16	7.93	Semiannual	Can.	SaskWater	17,184,000	17,184,000	---	---
(Canadian medium term serial note; Payable in annual instalments; Non-callable; Payable in Regina)									
Dec. 20/90	Dec. 15/20	9.375	Semiannual	U.S.	GRF	100,000,000			
					SaskPower	100,000,000			
					SaskTel	100,000,000	300,000,000 *	34,282,764 *	4,716,800 **
(Non-callable; Payable in New York)									
Feb. 26/91	Feb. 15/21	9.125	Semiannual	U.S.	GRF	200,000,000	200,000,000 *	32,863,448 *	3,189,560 **
(Non-callable; Payable in New York)									
Feb. 4/92	Feb. 4/22	9.60	Semiannual	Can.	SaskPower	240,000,000			
					SaskWater	15,000,000	255,000,000	35,604,047	2,550,000
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
July 21/92	July 15/22	8.50	Semiannual	U.S.	GRF	100,000,000			
					SaskPower	200,000,000	300,000,000 *	39,253,059 *	4,594,833 **
(Non-callable; Payable in New York)									
May 30/95	May 30/25	8.75	Semiannual	Can.	SaskPower	100,000,000			
					SaskEnergy	75,000,000	175,000,000	13,559,393	1,750,000
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Dec. 4/98	March 5/29	5.75	Semiannual	Can.	GRF	250,000,000			
					SaskTel	75,000,000			
					SaskEnergy	25,000,000	350,000,000	8,371,865	3,500,000
(Non-callable; This book-based note is held in the Canadian Depository for Securities)									
Dec. 10/01	Sept. 5/31	6.40	Semiannual	Can.	GRF	190,000,000			
					SaskPower	200,000,000			
					SaskEnergy	60,000,000	450,000,000	---	---
(Non-callable; This book-based note is held in the Canadian Depository for Securities)									
* Adjustment to reflect conversion of debentures and related sinking funds quoted in foreign currencies to Canadian dollars using the exchange rate in effect at March 31, 2002 (U.S. $1.5935)							916,364,000	125,733,160	---
							10,465,328,413	871,378,130	73,586,666
Various debentures issued to finance union hospital debt							2,702	---	---
Total							**$10,465,331,115**	**$871,378,130**	**$73,586,666**

** Sinking fund contributions to U.S. dollar sinking funds are made in U.S. dollars. Contributions for general government purposes are shown at the cost in Canadian dollars to purchase U.S. dollars equal to the contribution amount. Contributions for Crown corporation purposes are converted to Canadian dollars at the U.S./Canadian exchange rate at the date the contribution was made.

General Revenue Fund
Debentures Issued to the Minister of Finance of Canada

As at March 31, 2002

Date of Issue	Date of Maturity	Interest Rate %	Amount Outstanding
Canada Pension Plan Investment Fund*			
April 1982 - March 1983	April 2002 - March 2003	14.67	110,084,000
April 1983 - March 1984	April 2003 - March 2004	11.60	109,328,000
April 1984 - March 1985	April 2004 - March 2005	13.37	104,274,000
April 1985 - March 1986	April 2005 - March 2006	11.48	112,507,000
April 1986 - March 1987	April 2006 - March 2007	9.61	133,709,000
April 1987 - March 1988	April 2007 - March 2008	9.61	88,333,000
April 1988 - March 1989	April 2008 - March 2009	10.08	93,932,000
April 1989 - March 1990	April 2009 - March 2010 **	9.90	101,867,000
April 1990 - March 1991	April 2010 - March 2011 **	10.85	90,318,000
April 1991 - March 1992	April 2011 - March 2012 **	9.92	90,664,000
April 1992 - March 1993	April 2012 - March 2013 **	9.37	62,705,000
April 1999 - March 2000	April 2019 - March 2020 **	6.34	46,335,000
April 2000 - March 2001	April 2020 - March 2021 **	6.54	75,553,000
			1,219,609,000
The Municipal Development Loan Fund			
1965 - 1967	2005 - 2007	5.38	18,087
Agricultural Service Centres Loan Agreement			
1984 - 1985	2003 - 2004	12.28	48,249
Total			**$ 1,219,675,336**

* Canada Pension Debentures have a 20 year maturity and are redeemable in whole or in part before maturity, on six months prior notice at the option of the Minister of Finance of Canada. These debentures are callable in whole or in part before maturity, on 30 days prior notice at the option of the Minister of Finance of Saskatchewan.

** Subject in part to annual sinking funds; equity in sinking funds at March 31, 2002, $45,539,277.

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Glossary of Terms

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Glossary of Terms

Accrual Accounting
The method of accounting used to prepare the financial statements. This is the method of accounting recommended by the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants. Accrual accounting recognizes financial transactions at the time they occur, regardless of whether any cash is received or paid.

Accumulated Deficit
The amount by which expenditures have exceeded revenues from the beginning of incorporation (1905). It is the sum of all annual deficits and surpluses plus any adjustments that were charged directly to the accumulated deficit.

Budget
The amount presented in the Estimates.

Consolidation
The method used to account for government service organizations in the Summary Financial Statements. The accounts are adjusted to the basis of accounting used by the General Revenue Fund and then added together. Inter-entity transactions are eliminated.

Debt
The term "debt" is used in a number of ways.

- ***Debt (GRF)*** - the total debt issued for general government purposes and for Crown corporations, net of sinking funds;
- ***Total Debt (GRF)*** - the total debt issued for general government purposes and for Crown corporations, net of sinking funds, plus guaranteed debt;
- ***Public Debt (SFS)*** - the debt of government service organizations, net of sinking funds;
- ***Total Public Debt (SFS)*** - the debt of government service organizations and government enterprises, net of sinking funds.
- ***Guaranteed Debt*** - the debt of Crown corporations and others that the Government has agreed to repay if they are unable to do so; and,
- ***Sinking Funds*** - the amount of money which has been set aside for the repayment of debt.

Debt Reduction Account
This account is established pursuant to *The Balanced Budget Act*. The Debt Reduction Account is an accounting of the accumulated surpluses of the General Revenue Fund commencing April 1, 1995.

Fiscal Stabilization Fund (FSF)
The fund established to stabilize the fiscal position of the Government to facilitate long term planning. Stabilization occurs through transfers between the FSF and the GRF.

General Revenue Fund (GRF)
The fund into which all revenues are paid, unless otherwise provided for by Legislation, and from which all expenditures are appropriated by the Legislative Assembly.

General Revenue Fund Financial Statements
The financial statements prepared to account for the moneys appropriated by the Legislative Assembly.

Government Enterprises
Government organizations that have the financial and operating authority to carry on a business. This includes contracting in their own name, and selling goods and services to individuals and non-government organizations as their principal activity and source of revenue. Government enterprises are recorded in the Summary Financial Statements using the modified equity method.

Government Service Organizations
Those organizations that are accountable to government and either owned or controlled by government, and are not government enterprises. Government service organizations are consolidated in the Summary Financial Statements after adjusting them to a basis consistent with the accounting policies of the GRF.

Modified Equity
The method by which government enterprises are included in the Summary Financial Statements. The Government's investment, which is originally recorded at cost, is adjusted annually to include the net earnings/losses and other net equity changes of the enterprise without adjusting them to conform with the accounting policies of the GRF. Inter-organizational transactions are not eliminated.

Pension Liability
An actuarial estimate of discounted future payments to be made to retirees under Government pension plans, net of plan assets.

Summary Financial Statements Reporting Entity
The Summary Financial Statements reporting entity includes the financial activities of organizations which are accountable for the administration of their financial affairs and resources either to a Minister of the Government or directly to the Legislative Assembly and which are owned or controlled by the Government. Trusts administered by the Government are excluded from the reporting entity.

Summary Financial Statements (SFS)
The statements prepared to account for the full nature and extent of the financial activities authorized by the Legislative Assembly and administered through government departments, special funds, agencies and enterprises.